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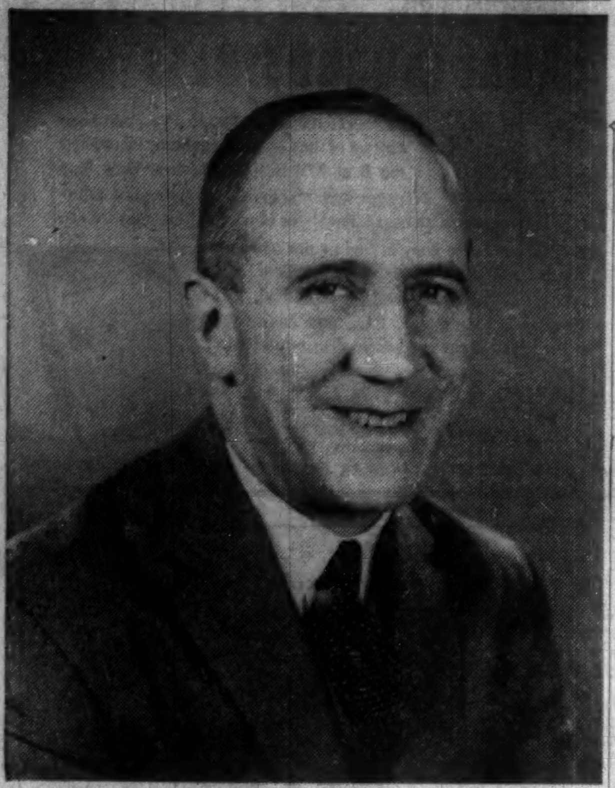
Heads Tariff Board



Louis de la Chesnaye Audette, 52, newly appointed chairman of the Tariff Board, brings to his new responsibility 14 years' experience in government service, most recently as chairman of the Canadian Maritime Commission. The five-man board has been undermanned for almost five months. Appointment of the new chairman and two other members means the board can now tackle some urgent tariff revision problems, particularly those affecting the textiles industry. **See article, p. 9.**

NATION'S BUSINESS

Dubious Medicine For Housing

Ottawa's decision to step up the pace of housebuilding by having its Central Mortgage & Housing Corp. again lend directly to builders is dubious medicine for the residential construction industry.

Certainly, in the short run, Ottawa's direct lending will give builders of NHA housing a boost. Mortgage money for lower-priced housing has been drying up fast in the hot sun of prevailing high interest rates. The federal move will help reduce some of the wide swings in the building industry.

But it is unfortunate that Ottawa feels it has to re-enter the field at this time. For these reasons:

1. The economy as a whole is rolling along well and doesn't need the extra push.

2. A balanced budget would be the best possible indicator of a federal determination to fight inflation. Government aid for housing won't help the balancing process.

3. This medicinal dose is no long-run solution for the difficulties of the industry or of the would-be house buyer. Both need an assurance of an even, steady flow of money into the market for mortgages.

Likely To Stay High

The dismal truth is that interest rates are likely to stay high enough, long enough, to keep mortgage lending by the traditional sources of such money relatively unpopular. They already hold bulging NHA mortgage portfolios and will reinvest only as repayments flow in.

What is sorely needed is an instrument that will widen the holding of mortgage debt and, by doing so, produce a flow of new money into the mortgage field.

Investors will have to be able to get into mortgages and out of them as easily as they can get into and out of the bond or stock market. The truth is the present conventional mortgage is clumsy, archaic, expensive and unliquid.

On page 20 there is a description of a "secondary mortgage market" and why we need to get one going. This would be a corporation or type of bank which will buy blocks of mortgages and service them—and finance the operation by selling bonds or certificates backed by the mortgages.

Such a "market" or company would allow investors to trade in certificates, not in actual mortgages, and leave all the administration of the mortgages to the corporation.

If the financial community, the builders and Ottawa had buckled down to creating a secondary mortgage market, Ottawa wouldn't have to be re-entering the direct lending field—which is the wrong thing to do right now and which postpones an important reform.

We're Subsidizing Trouble

In switching from farm price supports to "deficiency payments", the federal government seems to have jumped from the frying pan right into the fire. Its proposal to let the market for hogs and other products find its own level and then pay an over-and-above cash subsidy is running into formidable opposition at home and abroad.

The Ontario Federation of Agriculture, leading farm organization in the major hog producing province, has made no bones about its dislike of deficiency payments. It says that such a policy threatens farmer-operated marketing boards and our export markets.

In the United States, by long odds the biggest and most profitable export market for Canadian livestock and livestock products, the giant American Farm Bureau Federation warns bluntly: "We will not stand idly by and allow our livestock prices to be wrecked by the subsidized competition arising out of deficiency payment schemes."

The Farm Bureau, which has urged Washington to take action to prevent Canadian dumping of pork surpluses, adds that "one of the principal reasons we have vigorously opposed the use of these payment schemes here in the U. S. is our realization that they result in unfair export competition".

Ottawa would be well advised to drop this costly and dangerous business before it gets started. We already have more pork in storage than we know what to do with, and this could only make matters worse.

OAKVILLE MANUFACTURER

He's One-Man Sales Force For Canada

By FORBES GILBERTSON

Are you a salesman for Canada?

John Henry Daymond of Oakville, Ont., has that rating, and he thinks a lot more Canadian businessmen could get it too.

For one thing, Canadian reps of U. S. companies could do more to persuade their clients to open Canadian branch plants, he says.

Daymond knows what he's talking about. He's done it.

Daymond, 30-year-old vice-president and general manager of **L. H. Frost (Canada) Ltd.**, Oakville, not only built a thriving manufacturing business for himself in 4½ years, but largely thanks to his efforts:

• **Lux Clock Co.**, Waterbury, Conn., will establish a branch plant at 1076 South Service Rd., Oakville, in 10,000 sq. ft. of rented space.

This will be an assembly operation employing around 40-50.

When production starts in September, the company will make timing mechanisms, such as electric motors and timers for kitchen ranges, for the appliance industry.

Fred Lux, grandson of the founder and son of a former president of the company, takes charge in Oakville as general manager.

• **In doing business** with two other U. S. firms, **Dole Valve Co.**, and **Detroit Controls Corp.**, manufacturers of washing machine valves, Daymond had been tireless in selling the advantages of Canadian-based operations.

Now: Dole Valve plans to establish manufacturing operations in Oakville and Detroit Controls in Toronto.

Daymond had handled Lux products for two years, raising Canadian sales volume to the $500,000 mark in 1958.

Daymond went to Waterbury and outlined a $1 million market for Lux in 1960—if the firm established a branch plant in Canada.

Impressed with Daymond's enthusiasm and with the "Buy Canadian" theme mentioned by

(Continued on page 8, col. 7)

Wheeler Airlines Seeking Montreal-Toronto Service?

MONTREAL (Staff)—**Wheeler Airlines** may apply for a license to run a feeder service linking points between Montreal and Toronto.

The Montreal-based carrier is now making a study of traffic potential, due to be completed in mid-August.

A Wheeler executive described the proposed service to **FP** as "one complementing the existing **TCA routes**".

The "Seaway Route" has long been considered by various airline operators. To date, however, none have applied to operate a regular scheduled service with full airline facilities.

Wheeler has already taken the first step by applying to the Air Transport Board to operate single and twin-engined aircraft out of Montreal's Dorval Airport.

Its present license restricts it to four-engined machines to cover its DC-4 service to the north.

If it decides to try for the new routes, FP understands, Wheeler will propose using DC-3s initially. It has four at present.

Purchase of three additional C-46 twin-engined air freighters is under consideration, presumably to replace DC-3s on its northern routes.

Canadian Cottons Sells Off Assets

By ERIC RICHTER

MONTREAL (Staff) — Is **Canadian Cottons Ltd.** — until recently the nation's second largest cotton textile maker — getting set to throw in the towel as a manufacturer after almost 70 years?

Negotiations now in process for the sale of machinery and equipment at its Cornwall, Ont., plants indicate that the company may be left by the end of this year with no manufacturing operations at all.

There has been no announcement from the company. But both common and preferred shares of Canadian Cottons have climbed sharply this year in the face of discouraging operating results.

Investors are believed to be looking for gains through liquidation.

Preferred stock has climbed this year, from $9½ to $18¾, its highest point since 1953. Last week it settled back with light trading at $16½. Common stock has matched the climb, moving this year from $9¼ to $18.

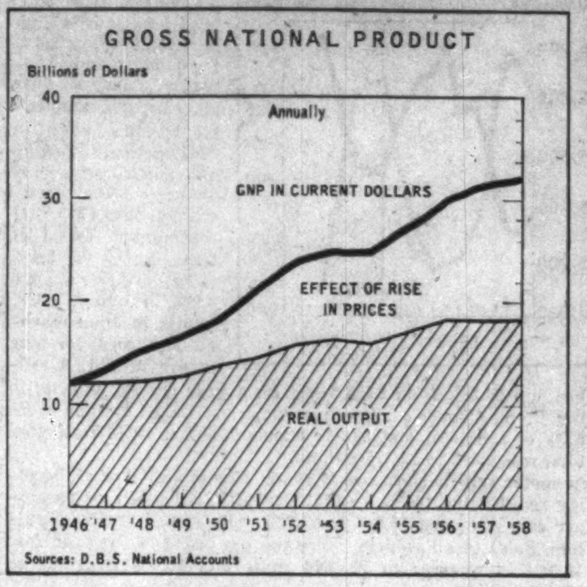
Book value of the preferred stock at March 31, 1959, was approximately $102 per share. Common stock book value was about $82, based on a $20 deduction for the preferred.

What the company's assets are worth, however, is not known. And preferred stock (142,272 shares outstanding) is so old that its terms of liquidation are not stated.

Maximum permissable open market purchase price for cancelation is $30. Par value is $20.

When an attempt was made

(Continued on page 8, col. 3)



FP Reports on Inflation

Here's a special chart report on Canada's inflation; why, how and how much **.......................... p. 15**

Now It's Horses On Credit Plan

By DAVID FRANCIS

"HORSES, Buy on Time Payments."

"Buy Now—Pay Later."

This advertisement in a Toronto newspaper meant exactly what it said.

Instalment buying has spread from multi-horsepower vehicles to single-horsepower horses.

Who is this new-fangled horse trader?

Joseph Spadafora, of **Albob Farms**, in Agincourt, a suburb of Toronto, an auctioneer by profession.

Mr. Spadafora started to sell horses on the instalment plan this last spring.

"It seems to have really hit," he said. "We have had a heck of a lot of interest. There have been 25 or 30 enquiries a week."

Other horse dealers may have to follow suit, he figures.

Mr. Spadafora has sold about eight or nine horses so far and figures he could have sold more if his horse sales were not limited to weekends only.

During the week he manages **J. Spadafora & Co.**, an auctioneering firm with offices in Toronto, Montreal and Boston.

His 25-acre farm is "more r less of a hobby", acquired in June 1958. The name, "Albob" is derived from that of his five and six-year-old sons, Alex and Bob.

Mr. Spadafora conceived the idea of selling horses on time after reading in a magazine that

(Continued on page 8, col. 3)

You Need Solid Proposition To Land Exports Financing

By LESLIE WILSON

OTTAWA (Staff) — You'll have to have a fairly solid exporting proposition if you hope to get help with your financing either from **Export Finance Corp. of Canada** or from **Export Credits Insurance Corp.**

Both the private company and the crown corporation will be highly selective in new projects they back.

The private company, Export Finance Corp. of Canada, doesn't expect to start operations until the fall. But already, says Stanley Stanger, a director, it has received a "good number" of propositions.

Export Finance Corp.'s operations should be very wide (details, p. 3).

But it has already cautioned would-be applicants that it won't make "bailout" or working capital loans and won't compete with financing facilities ordinarily offered by banks.

Export Credits Insurance Corp. received authority from Parliament early in July to start guaranteeing promissory notes received for export shipments.

This is a big departure for the crown company. Until now it has merely insured export shipments.

So far, partly because the corporation's requirements are stringent, no company has approached it with a serious proposition under the new arrangements.

If you have a solid bid for capital equipment from a reputable foreign buyer, the new arrangements could help you get cash from your foreign sales.

Chemcell Stock Deal Coming Soon

The way is being paved for further expansion of **Canadian Chemical & Cellulose's** widespread operations.

Major project is the Castlegar pulp mill and sawmill operation recently begun in Arrow Lake region of British Columbia.

This has been under consideration since 1952, is now scheduled to be completed in 1961. Cost: $50 million.

In preparing for this and other growth, Canadian Chemical & Cellulose plans to issue its shares in the two main operating companies, **Canadian Chemical** and **Columbia Cellulose**, to its own shareholders. Basis will be one share of both operating companies for each share of the holding company now held.

In anticipation of the change, Canadian Chemical shares had risen to $14¼ at midweek, from $12½ a week earlier.

Earnings of both its pulp and its chemical and textile operations have improved sharply, with earnings per share for first half 1959 amounting to 41c.

More details, p. 5.

How Much Boom?

The Outlook

An FP roundup of the latest facts and expert opinion on the economic weather ahead . . .

BY DALTON ROBERTSON

If present trends persist, the consumer goods industries can count on a bright year, perhaps even a record year. And this is particularly important to the course of the current boom because most consumer spending goes for made-in-Canada items.

Retailers can count on bigger sales in the last half of this year. Most estimates of over-all consumer spending in 1959 place the year-to-year gain somewhere between 7% and 9%. So far, retail sales are riding only 5%-6% above year-ago levels.

Many producers of consumer goods, however, have already made the biggest part of their year-to-year gains, thanks to the springtime spurt of inventory rebuilding. In some industries, the first half advances were in the order of 10%, 15% or more as wholesalers and retailers stocked up. But production in the last half of this year, over-all, likely will have to be

(Continued on page 8, col. 5)

Who Made The Profit?

Canadian corporations went through a year of decline and recovery in 1958, indicates the 33rd annual edition of **FP** Survey of Industrials, just off the press.

An FP analysis of the annual reports of 321 companies shows that net earnings, before depreciation, interest and taxes, declined an average of 6.7% from 1957 levels. After all charges, net profits were 14.3% lower.

Six of the 14 groups, into which the 321 firms are divided in **FP** Survey, succeeded in increasing their net profit in 1958 despite the general down-trend.

All groups increased their net worth and nearly all, their working capital.

Published by **FP**, 481 University Ave., Toronto 2, this book is available at $4 per copy.

SECOND HALF

Business Sign: Chemical Sales Roll into Boom

Sales and earnings up better than 12%. Outlook for the rest of the year even better . . .

By W. L. DACK

Canada's chemicals industry is enjoying one of its best years. Half-year results are in, and they will make good reading for shareholders.

It's a reflection of our general economic health.

The second half looks even better for most companies.

• Sales gain range from 5% to 25%; would average out at around 12%-15%.

• But earnings are running a little better than that, because of better cost control and first earnings from recently completed new plant units.

▸ **Generally high industrial activity** in Canada has boosted demand for hundreds of chemicals going into various manufacturing processes.

▸ **High personal earnings** are pushing sales of chemical consumer goods.

The 14% higher production rate in autos and trucks, for instance, means expanded sales for a whole series of chemicals that go into everything from enamel finishes to synthetic fibres for upholstery.

▸ **High house construction rate** means big business for plastics in appliances and furnishings, paints, synthetic fibre in drapes and upholstery.

▸ **Pick-up in base metal mining** and big road construction programs is boosting demand for explosives.

▸ **Near peak operating levels** of Canada's uranium producers have kept demand at record rate for a whole group of chemicals used in leach recovery process, such as sulphuric acid, nitric acid, sodium chlorate, lime.

The picture is not universally bright, however. It varies considerably from company to company and product to product.

The woodworkers' strike in B. C. is hitting domestic demand for such chemicals as phenol and formaldehyde used in plywood glues.

The crippling, three-month strike at the big **Polymer Corp.** plant at Sarnia has seriously cut down Canada's synthetic rubber production and sales, affected other supplying firms like **Imperial Oil.**

Polymer is now quickly getting back into stride and will be operating at capacity for remainder of the year to build up inventories.

Here are representative half-year highlights of some major Canadian chemical firms:

Canadian Chemical Co.'s operations at a high level, with sales and earnings showing a good gain in first half.

Sales amounted to $12.6 million, which was $1,616,513 better than in previous six months. Net profit in the first half was $1,475,000 (no comparable earnings for last year).

Each one of company's three major chemicals groups moving well — pentaerythritol, solvents and formaldehyde.

The woodworkers' strike in B. C. has almost closed that market for formaldehyde for plywood glues, but company has

(Continued on page 8, col. 2)

Record Tourist Revenue?

By BEATRICE RIDDELL

At mid-season, it looks as though Canada's tourist revenue will be closer to the 1957 record $325 million than last year's $308 million.

More Canadians are traveling farther in Canada, east and west.

Example: Yukon alone has more than doubled its last year's tourist count.

More visitors are coming here (details page 11).

Both **CPR** and **CNR** report capacity passenger business, with longer-than-ever waiting lists, especially for travel in Western Canada.

TCA's domestic traffic is setting new records, despite the new competition of **CPA's** Canadian service.

The Royal Tour, opening of the Seaway, and near-perfect summer weather combined to set a merry jingle in Canadian cash registers. A warm August will help to keep that up.

Signs & Portents

MILLIONS in contracts may be moving soon. **Canadian National Telegraphs** has won a $20 million (approx.) order to build a 600-channel microwave system from Grande Prairie, Alta., to Snag, Yukon. Involved: U.S. Air Force. Significance: Eventual link between U. S. and Alaska. Status: Hush-hush now because of U. S. rules, but wraps will come off soon.

* * *

BIG EXPORT orders may wait for the Canadian companies that get the Alberta-Yukon microwave electronics job. Our electronics makers are aching for the chance. The equipment will be the world's finest, will be in demand elsewhere.

* * *

WATCH FOR a new shopping centre in Sydney, N.S. **Dominion Steel & Coal Corp.** has granted an option on 17 acres of surplus property to a group of Nova Scotians who plan to develop it commercially. On the drawing boards: A $2 million centre with 14 stores.

* * *

COOL HEAD in a crisis comes easier when you wear an air conditioned hat. U.S. firm plans to market a mechanically cooled helmet for outdoor workers this month. Might be handy for directors' meetings, too.

* * *

YOU CAN EXPECT to find artificially colored Florida oranges in your grocery after October. Canadian ban on color-added oranges, imposed early in 1955, has been lifted. Our Food and Drug Division has approved a new chemical coloring.

* * *

ORIENTAL TREND in your home next? Buyers for Canadian department stores have been placing orders for home furnishings in Japan, Hong Kong and India. Many North American manufacturers are also starting to use Oriental motifs.

Wpg. Gas Franchise Now Law Building Program Stepped Up

From Our Own Correspondent

WINNIPEG—The position of **Greater Winnipeg Gas Co.** has finally been settled by legislation which gives it a 25-year exclusive franchise to distribute gas in the Greater Winnipeg area.

This is defined in the Act as the city of Winnipeg and its 15 suburban municipalities.

The legislation replaces previous agreements the company may have had with any municipality.

The franchises terminate Dec. 31, 1983. If the company wishes a renewal it must give notice of its intention to apply to the minister of public utilities before Jan. 1, 1982.

On receipt of the notice, the government will set up a five-member gas distribution negotiating committee, two appointed by the city of Winnipeg, two appointed by the government from a list of not less than four nominees by the municipalities other than Winnipeg, and a chairman also appointed by the government.

Renewal agreements when and if made will be for terms not less than ten or more than 25 years.

They will require approval of the public utility board.

If during the currency of a franchise the company wishes to sell its system, the municipalities are to get first chance to buy it.

Company's projected 1959 program, estimated at $4.7 million, has been revised upward and will exceed $5 million.

It had planned to install 100 mi. of pipe and now plans to reach 130 mi. by end of the year.

Up to July 20 it had laid between 55 and 60 mi.

It now has about 18,000 connections, 4,000 of which have been added this year.

Burroughs Merges Office Equipment, Computer Sections

Manufacturing and sales activities of **Burroughs Adding Machine Co. of Canada** and its ElectroData (electronics) division will be consolidated for "greater product coverage and broader customer service", General Manager J. L. Rapmund says.

The two divisions make business equipment ranging from small adding machines to large-scale electronic computers.

ElectroData sales and service staff in Canada will now be housed in Burroughs branch offices. They are engaged in computer work in atomic energy, aviation and in data processing offices.

D. H. Peacock, now district manager of ElectroData, will be sales manager of computer systems in Canada.

MERTON DURANT

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Dept. FP34, Niagara Falls, Ontario

Gentlemen: Please furnish me with complete information on Zippo lighters and your special design service.

Name..........

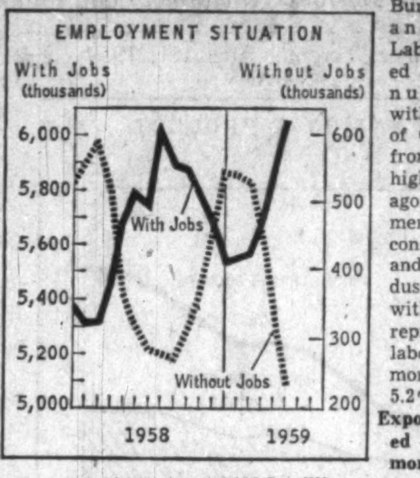
Position..........

Firm..........

Address..........

Trend of Business

Employment at record high in June. Joint estimates of Dominion Bureau of Statistics and Department of Labor for month ended June 20, place the number of persons with jobs at new high of 6,053,000, up 3.4% from May and 4.5% higher than a year ago. Largest employment gains were in construction, logging and distributive industries. Persons without jobs (234,000) represented 3.7% of labor force, vs. 5.4% month before and 5.2% in June, 1958.



Exports in June reached a record for one month at $519.9 million, up 21.3% from $428.5 million a year ago. Shipments to the U. S., Canada's biggest customer, at $321.1 million were 62% of the total and 37.5% ahead of June, 1958. Half-year total rose 1.5% to $2,417 million.

New motor vehicle sales rise 17.7% in May to 55,170 units, boosting retail value 14.7% to $168.4 million. Sales of new passenger cars advanced 18.6% to 47,235 units valued at $137.5 million. Sales of all vehicles since the beginning of the year rose 15.3% in number to 231,644 units and 15.4% in value to $715.2 million.

May output of nickel and lead was larger than a year ago, copper production was little changed, while silver and zinc output was lower. Month's totals: Copper, 32,467 tons (32,471); nickel, 16,622 tons (15,231); silver, 2,481,875 oz. (2,650,665); lead, 16,813 tons (15,131); and zinc, 33,602 tons (34,197).

On the cuff. Accounts outstanding on the books of sales finance companies at end of May amounted to $1,029 million, up 2.9% from previous month's $1,000 million but 2.3% lower than last year's like total of $1,054 million. Balances on personal loans and instalment credit totaled $416 million vs. $375 million at same time last year. Accounts receivable by department stores were $250 million ($232 million).

A look next door. U. S. steel output expected to fall 66% in week ended July 25, with operations at 13.2% of rated capacity as result of the strike, reports Dun & Bradstreet in weekly trade review. Decline in auto output anticipated for second half of July as some plants begin shutdown for model change-over. In latest week reported, bank clearings were 9.5% above a year ago, car loadings edged up 0.6%, electric power production was up 9.4% and crude oil output up 5.1%.

Bottoms up! Domestic beer sales in Canada during June totaled 911,444 bbl., up 9.4% from 833,293 bbl. in like month last year. First six months' sales were 1.1% higher at 4,156,407 bbl.

Major Weekly Indicators

	Latest Date or Week Ended		Previous Week	Previous Month	Year Ago
Department store sales, % change from year earlier	(July 18)	+9.2%	+7.9%	+14.1%	+9.6%
Carloading totals	(July 14)	81,758	71,834	82,703	76,208
Eastern Canada	(July 14)	54,487	48,088	53,634	49,617
Western Canada	(July 14)	27,271	23,746	29,069	26,591
Iron and steel mfg.	(July 14)	1,463	1,075	1,268	1,144
Ores, concentrates	(July 14)	11,773	11,201	10,925	7,258
Base metals	(July 14)	536	573	638	569
Lumber, timber, plywood	(July 14)	4,564	4,792	5,731	4,911
Cement	(July 14)	880	712	971	892
Passenger car production	(July 25)	5,893	7,885	8,234	4,455
Truck production	(July 25)	1,558	1,698	1,932	1,411
Chartered Banks					
Personal savings .. ($ millions)	(July 15)	7,139	7,148	7,130	6,731
Loans outstanding . ($ millions)	(July 15)	6,070	6,097	5,949	5,172
NHA mtge. holdings ($ millions)	(July 15)	872	867	856	649
Bank of Canada holdings of					
Securities ($ millions)	(July 22)	2,698	2,711	2,684	2,658
Short-term govt. .. ($ millions)	(July 22)	432	450	387	1,492
Long-term govt. ... ($ millions)	(July 22)	2,190	2,192	2,228	1,103
Other securities ... ($ millions)	(July 22)	19	13	13	16
Bank Clearings:					
Montreal ($ millions)	(July 24)	888	1,020	755	773
Toronto ($ millions)	(July 24)	1,328	1,331	1,305	1,520
Cdn. dollars (U.S. cents av.)	(July 28)	104.235	104.343	104.698	104.214
T.S.E. industrial index	(July 28)	554.13	551.33	537.73	460.69
Yield 114 stocks	(July 27)	3.97%	3.98%	4.04%	4.53%
Bus. fail. 4-wk. moving av. (no.)	(July 16)	21.0	20.5	27.5	26.8
Steel ingot production .... (tons)	(July 18)	114,872	111,592	105,505	80,831
% capacity	(July 18)	94.7%	91.9%	86.9%	71.1%

Facts by the Month

	Latest Month		One Month Previous	Two Months Previous	One Year Previous
WHAT WE PRODUCE—					
In all Industries (Index)	May	165.2	161.9	159.4	155.0
In factories (Index)	May	150.6	146.3	143.1	142.2
Total nondurable goods (Index)	May	148.4	144.4	141.8	139.1
Food & bev.	Apr	133.6	126.4	120.1	125.6
Textiles	Apr	129.4	128.2	130.8	106.2
Clothing	Apr.	116.0	123.5	121.5	110.1
Chemical products	Apr.	187.0	175.2	182.8	185.9
Total durable goods (Index)	May	153.3	148.6	144.6	145.9
Iron & steel products	Apr.	138.2	133.3	130.6	124.2
Primary iron & steel	Apr.	168.0	150.7	147.3	136.9
From mines (Index)	May	241.7	237.1	237.4	225.7
Metals	Apr	198.5	189.9	187.4	186.5
Nonferrous smelting, refining	Apr	149.9	146.0	133.3	153.7
Gold	Apr.	109.5	109.7	112.8	111.2
—From farms					
Cattle delivered (000)	Apr.	134	147	116	130
Hogs graded (000)	Apr.	688	842	618	430
Grain mill products (Index)	Apr.	132.6	131.4	131.4	127.3
—From sea					
East Coast catch ($000)	May	6,765	4,038	1,777	6,827
W. Coast catch ($000)	May	2,321	738	670	2,293
—From forests					
Newsprint (000 tons)	June	534	551	535	482
Pulp (000 tons)	May	923	892	852	905
—In powerhouses					
Electricity (million kwh.)	May	8,738	8,617	8,813	7,968
WHAT WE SELL—					
Retail sales ($ millions)	May	1,438	1,352	1,243	1,388
Dept. store sales ($ millions)	Apr.	107.9	101.2	86.0	104.3
•Wholesale sales ($ millions)	May	754	713	706	712
•Mfrs. outstg. orders ($ millions)	May	2,106	2,069	2,099	2,376
•Pass. car sales (units)	May	47,235	50,077	41,102	39,832
WHAT'S ON HAND—					
Mfrs. inventories ($ millions)	May	4,405	4,416	4,428	4,461
Dept. store stock sales ratio	Apr.	2.8	2.8	3.1	2.8
SPENDING, SAVING POWER—					
Labor income ($ millions)	Apr.	1,395	1,371	1,361	1,304
•Dividend payts. (Index) (annual rate)	July	300.3	300.3	298.3	308.8
JOBS—					
Persons with jobs (000)	June	6,053	5,852	5,664	5,794
Jobless seeking work (000)	June	234	334	445	320
Do. (% of labor force)	June	3.7	5.4	7.3	5.2
CONSTRUCTION—					
Contract awards ($ millions)	June	327	336	193	388
FOREIGN TRADE—					
•Exports ($ millions)	June	520	435	405	429
Imports ($ millions)	May	516	533	441	485
MONEY—					
Money supply ($ millions)*	Mar.	12,777	12,716	12,746	11,820
Cheques cashed ($ millions)	May	20,820	21,433	20,263	20,807
•Life insurance sales ($ millions)	June	555	491	543	467
Notice deposits ($ millions)	May	7,746	7,787	7,721	7,063
Current public loans ($ millions)	May	5,952	5,876	5,580	5,244
PRICES—					
Consumer price (Index)	June	125.9	125.6	125.4	125.1
Wholesale prices (Index)	June	230.7	231.3	231.3	227.6

*Total deposits, less Govt. of Canada deposits, less float, plus notes in circulation outside the banking system.

STRATEGIC MATERIALS—Production and Supply—

	Latest Month		Month yr. ago	Yr. to date	% chge. yr. to date
Steel ingots and castings (000 tons)	May	480	413	2,351.5	+18.6
•Nickel (000 tons)	May	18.6	15.2	67.7	—14.2
•Primary copper (000 tons)	May	32.5	32.5	140.7	—8.1
•Lumber exports (millions fbm.)	Apr.	390	297	1,308.3	+21.3
Lumber (millions fbm.)	Apr.	540	473	2,298.8	+7.7

•New item this week.
Index based: production 1949=100; consumer price index 1949=100; wholesale price index 1935-39=100.

Date of issue for your file, The Financial Post, August 1, 1959.

Look For It Here

August 1, 1959

REGULAR FEATURES

Adelphi	28	Mkt. Comment	22
Announcing	18	Mining	26, 27
Auto Prod.	22	Note	4
Bid & Ask	23	One View of Mkt.	14
Bus. Trends	2	Others Say	6
Editorials	6	Quotes	24, 25
Growth Stocks	21	Taking Stock	26
Indust. Growth	18	Travel	10
Investments	4, 5	What's New	14
Managed Invest.	28	Why They're Moving	4
J. B. McGeachy	7		

INDUSTRIALS

Ahearn & S.	18	Edmor Mfg.	18
Aluminium	21	Expert Fin.	3
Argus	4	Fraser Cos.	4
Abitibi	4	Hussman Refr.	14
AEI (Canada)	5	Hardee Farms	27
Autair Hel.	3	Interprov. Pipe	28
Brantford Coach	18	Imp. Oil	9
B-A Oil	22	Massey-F.	9
CNR	14	MacM. & Bloe.	21
Cdn. Coll. Res.	8	Orange Crush	4
Can. Malting	9	P.G.E.	4
Cdn. Bridge	11	Page-Hersey	17
Cdn. Co-op Wool	4	Rootes	14
Can. Vinegars	4	Reliance-R-M.	18
Cdn. Gen. Invst.	5	Std. Electric	14
Chemcell	5	Supertest P.	19
Col. Escrows	3	Saguenay Pwr.	22
Cdn. Int'l Pet.	16	Sherbrooke Tr.	4
Chempac	16	Sup. Propane	4
Dom. Bridge	18	Southam	5
Dom. Life	20	Stelco	17
Detroit Br.	11	Texaco	4
Empire Life	14	TCA	16

ANNUAL REPORTS

Can. Packers	25	Medallion Pete.	27
Dom. Dairies	25	Okanagan Inv.	25
Goderich El.	25	Que. Copper	25
Interior Brew.	25		

MINES AND OILS

Bulolo	27	Milliken	26
Coldstream Cpr.	27	Normetal	26
Cont. Potash	27	Northspan	26
Campbell R. L.	26	Pronto	26
Dome Mines	26	Pater	26
Dome Pete.	26	Renabie	22
Glacier Expl.	27	Richfield	3
Geco	26	Rio Tinto	26
Giant Mascot	26	Rix Atha.	26
Hudson Bay	8	Sigma	26
Kilembe	23	Torwest	27
Mining Corp.	26		

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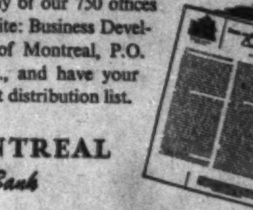

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NEW ISSUE

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Principal, half-yearly interest thereon (February 1 and August 1) and redemption premium, if any, will be payable in lawful money of Canada at any branch, at the option of the holder, in Canada, of the chartered bank to be designated in the Series "D" Bonds. Series "D" Bonds will be available in coupon form, with provision for registration as to principal, in the denomination of $1,000, and in fully registered form in denominations of $1,000 and authorized multiples thereof. Coupon bonds and fully registered bonds of Series "D" will be interchangeable in equal aggregate principal amounts, and will be registrable and transferable in Montreal and Toronto.

The Company will have the right, at its option, to redeem at any time all of the outstanding Series "D" Bonds, or from time to time any part thereof by lot, upon giving not less than 30 days' prior notice, at the principal amount thereof and accrued and unpaid interest to the date specified for redemption, plus, in the case of redemptions within the following periods, a premium equal in amount to the following percentages of such principal amount: to and including August 1, 1960, 5%; such premium to decrease by 1/5 of 1% on August 2, 1960, and by a further 1/5 of 1% on each succeeding August 2 to and including August 2, 1982, and by a further 2/5 of 1% on August 2, 1983; and thereafter without premium; provided, however, that the Company will not have the right to redeem, prior to August 1, 1969, any of the Series "D" Bonds as a part of, or in anticipation of, any refunding operation by the application, directly or indirectly, of funds obtained through borrowings having an interest rate or cost, calculated in accordance with established financial practice, of less than 6% per annum. The Company will also have the right at any time and from time to time to purchase Series "D" Bonds in the market, or by tender, or by private contract, at prices not exceeding the then current redemption price for purposes other than the sinking fund, and accrued and unpaid interest, plus costs of purchase.

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Trustee: Montreal Trust Company

A copy of the official offering Prospectus will be furnished on request.

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July, 1959.

Two Major Steps Taken to Help Finance Exports

How crown and private companies will handle insurance and payment guarantees . . .

By LESLIE WILSON

OTTAWA (Staff) — New credit facilities for Canadian exporters are established by Senate bills which passed through Parliament at the end of the session.

• One, S-17, incorporates a new private company, **Export Finance Corp. of Canada**, which intends to begin a wide variety of export financing operations this fall.

Authorized capital is $50 million. First-year operations will be undertaken with a subscribed capital of $10 million, intended to give a lending and participation power of about $80 million.

• The other bill, S-22 amends the Export Credits Insurance Act, giving **Export Credits Insurance Corp.**, the Crown company which has been insuring Canadian export shipments since 1945, entirely new powers to guarantee promissory notes given for export shipments, and to lend money on export shipments.

The guarantees will be effective only after delivery of the shipments.

The money won't be lent to exporters. It will be lent to banks and other financial institutions so that they may purchase government - guaranteed promissory notes for exporters. Export Credits Insurance Corp. may also buy and sell these promissory notes.

Since the Canadian government will be guaranteeing the notes, the new amendments will create a new type of "guaranteed export instrument" which, it is hoped, will enter freely into the portfolios of lending institutions.

The two organizations should find themselves working together, Stanley Stanger, chairman of **Guardian Trust Co., Montreal**, and a director of Export Finance Corp. of Canada, told **FP**:

"We'll buy the paper that Export Credits Insurance Corp. guarantees. The government will be supplying the security; we'll supply the money."

Here's a rundown of how the two new arrangements will work:

1. Export Credits Insurance Corp.

Until now, crown-owned Exports Credits Insurance Corp. has never lent money on export shipments. Instead, it has insured them, enabling the exporter to borrow money from a bank or lending institution, by assigning the account receivable.

Because the corporation would pay only 85% of losses, the exporter had to bear the rest. For this reason, he could not discount an insured account receivable, but had to retain an interest in it until the end of the payment period.

The corporation's policies run only for short or medium terms. Most run only two or three years; but policies on capital equipment, with the approval of the Federal Cabinet, can extend as long as five years after delivery of the goods; and, if necessary, for as much as another five years between the placing of the contract and the delivery of the goods.

Providing this insurance has greatly helped Canadian exporters with their financing. But it hasn't helped them to secure the sort of 15-year-term financing available in other countries.

Last Dec. 31, Export Credits Insurance Corp. had 230 policies in force; 204 of these covered $84 million in commodity transactions; 26 covered $31 million in capital goods transactions. Financing almost all of these shipments was helped by the corporation's insurance policies.

The new amendments won't make a big and immediate difference in the corporation's operations. Reasons:

• **Only capital goods export shipments will be guaranteed.** The minimum value for which guarantees will be given has been set at $250,000. There is no upper limit and it is presumed that contracts up to $30 million or $40 million would be considered.

• **Cabinet approval is necessary for each guarantee**, purchase, sale or loan transaction. It is presumed that the Cabinet will be selective in the transactions which it approves.

• **Guarantees won't run any longer after delivery of goods** than present insurance policies do. Five years will be the maximum payment period.

The new amendments mark the government's first entry into a kind of export financing; and no one knows what the result will be. But if the corporation guarantees a dozen capital goods shipments this year, officials will be satisfied.

The new arrangement is the result of pressures on the government to establish an export financing corporation. This has not been completely rejected, but was postponed for this year because of the anticipated government deficit.

This is how the new arrangement will work:

The exporter first approaches the corporation with his proposition. If it is satisfactory to the Cabinet, the exporter will receive the all-important "letter of commitment" by which the corporation undertakes to insure the shipment up to delivery, then guarantee the promissory notes after delivery.

The insurance policy is then issued for the period of manufacture and the exporter may finance this by borrowing from a bank on the strength of the insurance policy or the guarantee.

After delivery, the exporter will receive his promissory notes or other instruments from the importer in the foreign country. These will then be guaranteed for full face value by the corporation, on payment of a premium.

The exporter can then discount these notes at a bank or other financial institution and receive face value, minus bank discount and premium to Export Credits Insurance Corp. Both of these charges, it is assumed, can be fitted into his cost structure.

This is the "paper" which Export Finance Corp. of Canada will buy.

Advantages to the exporter of the new arrangement:

• He gets all his money from the transaction (minus discount and premium) immediately after delivery of the goods.

• He no longer has any legal responsibility for the foreign importer's payments; the government assumes this responsibility.

Under the former arrangement, the exporter could assign the account receivable to a lending institution.

But if the foreign importer defaulted on any payments, the exporter had to bear 15% of losses. Until the end of the payments period, the lending institution had a legal right of "recourse" against the exporter, in case of default by the importer. Export Credits Insurance Corp. paid only 85% of losses.

Under the new arrangement, the government assumes responsibility for all losses and the exporter is clear of the transaction once he has sold his guaranteed promissory notes.

One big question mark:

How will banks and lending institutions react to the new "guaranteed export instruments"?

Most exporters, it is assumed, will take their "letters of commitment" from Export Credits Insurance Corp. direct to their bankers; they'll ask for loans during the period of manufacture; and they'll ask the banks to agree to buy the guaranteed promissory notes after delivery of the shipments.

This will mean that the banks will be asked to undertake big purchase commitments six or seven years in the future.

Not only will the banks have to establish discount rates for this kind of transaction; but they will have to assess the implications of these commitments on their liquidity positions.

This is where Export Credits Insurance Corp.'s powers to buy, sell and lend money on the new "guaranteed export instruments" will be useful.

The banks must, however, take into account the fact that these powers will be exercised only with the approval of the cabinet; and, as yet, nothing is known of the ease with which this approval will be secured.

2. Export Finance Corp. of Canada.

The activities of the private company will undoubtedly be important in persuading banks and other lending institutions to accept the "guaranteed export instruments" into their portfolios.

If Export Finance Corp. of Canada is ready to buy these instruments without reservation, it is assumed here that banks and other lending institutions will follow suit.

However, Export Finance Corp., said Mr. Stanger, intends to offer a very wide range of additional services. These would include:

• **General export financing** — Purchase from Canadian manufacturers or exporters of dollar obligations due them as a result of sales abroad, with term payment up to five years.

This could mean purchase of instruments not guaranteed by Export Credits Insurance Corp.

• **Loans to foreign importers** — Direct or indirect loans to foreign buyers of Canadian products. The corporation might take foreign currency from the importer and pay the Canadian exporter in dollars.

• **Agency loans** — Transactions in which the corporation would act as agent in arranging financing.

• **Participating loans** — The corporation might act as part of a syndicate to underwrite loans; or act with buyers or sellers in export-import transactions.

• **Project financing** — Loans to foreign business firms for the prime purpose of expanding to do business in Canada. For this kind of help, the corporation might require a common stock interest in the foreign company, or other equity benefit.

Most of Export Finance Corp.'s undertakings wouldn't extend beyond a five-year period.

However, the corporation would be willing to participate with others in loans for longer periods than five years; and if it helped a foreign company to expand to do business in Canada, it might accept maturities extending up to 20 years.

There is no upper limit on the size of transactions; and loans as low as $500 will be considered.

Mr. Stanger is one of the three present directors. The others are Clement Tremblay, managing director of **Ayres Corp.**, Lachute, Que., and T. E. Hayes, president of **International Livestock Exporters Ltd.**, Oakville, Ont., and president and owner of Hayes Farms Ltd., Oakville.

Nesbitt Thompson, Montreal, are leaders of the financing syndicate.

Arrangements with other lending institutions, Canadian and foreign, will permit the corporation to take part in some $80 million worth of transactions on the first-year capital subscription of $10 million.

Transport Dept. Orders 600 mph Lockheed JetStar

Federal Department of Transport has purchased a Lockheed JetStar:

• **To evaluate navigational radio aids** at high altitudes.

• **To set up traffic control procedures** for airline and military jet traffic.

The JetStar is a 600 mph jet capable of a flight altitude of 10 mi.

The jet, not to be delivered until June 1961, will be built at Marietta, Georgia. It will be stationed at Ottawa.

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Charges Freedom at Stake In Big-Helicopter Wrangle

MONTREAL (Staff) — How much private enterprise should there be in the Canadian helicopter business?

The question may soon be settled.

Transport Minister George Hees is now considering an appeal by **Autair Helicopter Services Ltd.** of Montreal against a recent Air Transport Board ruling that forbids it to use big helicopters (**FP**, June 13).

The board had turned down Autair's request on the grounds that there isn't enough business around to permit a new big-bird operator.

Autair's defiant president and founder, Douglas Connor, shot back a letter directly to Hees complaining that he was having to turn away business because of ATB's decision.

It was a move that promises to bring the slow-boiling matter of license granting to a head.

Last July Hees announced a new approach to licensing charter and helicopter lines flying C Class operations. From then on, he said, most of the red tape and restrictions would be removed. Any line that met safety and equipment standards could qualify for a license.

In aviation circles this was taken as a political manoeuvre to head off criticism for not putting a competitive policy in sooner on the Canadian air routes.

It was universally unpopular with existing carriers in the small plane field, and was frowned upon by insurance brokers who saw the risk of too much competition cutting into safety standards.

It had the effect, too, of turning the Air Transport Board into little more than a rubber stamp machine in all but major scheduled airline matters.

Autair's Connor was quick to seize on the new policy. His company became the first major operator to start up after it came into force.

ATB's decision not to allow him big helicopters was couched in unusually testy terms. It pointed out that it wasn't enough just to apply, a company now has to supply proof of public need—i.e. the pre-Hees Plan procedure.

Connor's appeal, FP understands, is based on potential business available plus the desirability of free enterprise.

"It's a free country and we support private enterprise," he said to **FP** this week. "At least that's what we believe."

The appeal puts the Hees theory to the test.

It is very rare for the minister to upset an ATB decision, and anyway the operation of big helicopters may come outside the real scope of the Hees Plan.

On the other hand Connor has brought attention to what many airmen feel is a growing resolve on the part of ATB to regain some of its old say before too many new lines spring up. It could lead to some behind-the-scenes skirmishing over future policy.

Nuclear Blast In Tar Sands Next Year?

Next year may see a nuclear explosion shake northeastern Alberta as oil companies try to extract oil from the Athabasca tar sands.

A federal committee last week concluded two days of hearings on the feasibility of the project whereby a small atom bomb would be detonated at a depth of about 1,200 ft. in a tar sands lease held by the **Richfield Oil Corp.**

This committee (**FP**, April 18) now appears ready to report to the government that there would be no risks involved.

The oil-soaked sands in northern Alberta cover an estimated 17,000 sq. mi. and contain an estimated 300 billion bbl. of oil.

New Firm May Cut Real Estate Fees

How Vancouver firm, first of its kind in Canada, aims to do lawyer's job and cut legal fees in real estate conveyance . . .

From Our Own Correspondent

VANCOUVER — A new Vancouver company aims to take a big share of the conveyancing business in the real estate field.

In doing so, **Columbia Escrows Ltd.**, believed to be the first company of its kind in Western Canada, may cut sharply into the business of small legal firms and notaries public.

Colin F. MacKinnon, an accountant, is president of the new firm.

Conveyancing entails the legal work after a real estate buyer and seller have made a deal and signed what is called an interim agreement.

Normally at this point the real estate company's lawyer steps in to search the title to the property, draw up and register the necessary documents and make adjustments for taxes and insurance.

Columbia Escrows plans to assume this third-party role. It would also take instructions from both the buyer and seller, and receive all monies, paying them out as instructed.

While it would not be a mortgage company, the firm's solicitor will handle the assignment of agreements for sale, or assumption of a mortgage.

An individual conveyancing job may cost anywhere from $30 to over $100. Columbia Escrows plans an average fee of about $40.

One statistic indicative of its potential market: Last year some 14,588 transactions were recorded in the Vancouver land registry office.

The new company's first objective will be to persuade real estate companies to turn over conveyancing work to Columbia, displacing the lawyer or notary public now doing this work. It has already received an encouraging response from real estate firms.

Conveyancing is an incidental part of the work of the larger law firms, but it is an important share of the small or new law firm's and average notary's business.

Columbia says its chief selling point is that it will free real estate firms from the responsibility of conveyancing and allow them to concentrate on the marketing of property. The company is insured and bonded.

MacKinnon says that although the company is the first of its kind in this area, there are 16 escrow firms in Seattle, Wash., the nearest U.S. city to Vancouver. The field is "big business" in the U.S.

Columbia also hopes to shatter a well-established tradition on the West Coast: At present the prevailing practice is that the buyer pays all conveyancing fees in real estate transactions. **The company hopes to split its fee between buyer and seller.**

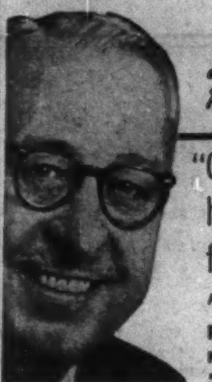
They Like it Hot: Beer Sales Sizzle To Reverse Trend

Heat and humidity equal more than a high discomfort rating: They boomed beer volume sales by over 9% in sunny June.

The gains likely have continued through July—also a good month for cool beverage sales generally across Canada.

In June, domestic sales of beer were 911,444 bbl., up from 833,293 bbl. in June of last year, the Dominion Brewers Association says. It was the biggest gain in many months and sharply reverses a trend that saw sales drop slightly in the first four months this year.

It's also a welcome swing to brewers who lost ground last year in an Ontario strike of distribution outlets. The tally for 1958 was a 3% decline, for the first six months this year, a 1.1% rise.



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Bonnycastle Heads Industry Fund

From Our Own Correspondent

WINNIPEG—R. H. G. Bonnycastle, Winnipeg, has been named chairman of a nine-member board set up to administer the Manitoba Development Fund (**FP**—Apr. 18).

Other members: Rex E. Grose, vice-chairman and general manager; John A. MacAulay, Morris Neaman, Don Croston, all of Winnipeg; J. J. Deutsch, Vancouver; K. R. Barkman, Steinbach, Man.; G. Keith Lewis, Brandon; George Hill, Portage la Prairie.

The fund was set up by legislation last October with $5 million to help establish new industries and help existing ones.

Since it began operations Feb. 28 until June 30, it approved loans of $1.25 million—$400,000 to firms in Greater Winnipeg.

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Fraser Cos. Profit Drops 12% in Half

MONTREAL (Staff) — Net profit of **Fraser Cos.** and its wholly owned subsidiary, **Fraser Paper, Ltd.** for the six months ended June 30, 1959 was down 12.4% at $1,766,362 ($2,016,484 in first half 1958), equal to 79c (90c) per share.

Quantity of pulp, paper and paperboard shipped this year was about the same as in corresponding 1958 while lumber shipments were nearly 20% higher, Aubrey Crabtree, chairman and president says.

Second-quarter operations at Edmundston, Madawaska and Newcastle were at high levels of first quarter. Atholville pulp mill, however, continued to operate substantially below capacity.

Costs continued to rise during the first half but could not be offset by increased prices due to the competitive situation, Chairman Crabtree says. In addition, loss on conversion of U. S. funds was greater than in the first half of last year.

Construction of new facilities for finishing, storing and shipping paper and the new machine room at the Madawaska mills is proceeding on schedule.

Here are the first-half results in detail:

	Six Mos. ended June 30 1959 $	1958 $
Earnings after op. exp.	5,577,706	6,108,918
Less: Bond interest ...	42,000	47,250
Depr. & depl.	1,936,345	2,028,184
Income taxes	1,833,000	2,017,000
Net profit	1,766,362	2,016,484

PGE Shows Profit Loadings Up 40%

From Our Own Correspondent

VICTORIA — Symptom of growth in the North:

The British Columbia government-owned **Pacific Great Eastern Railway** made a profit of $345,057 in June, 1959, versus a loss of $35,214 in the same month last year.

Premier Bennett commented:

"In my opinion never again will this railway be a charge upon the taxpayers of this province."

The profit figure was achieved after paying interest on the "operating" part of the railway, on depreciation on the whole line, and after meeting debt payments. (The PGE for bookkeeping purposes is still a "railway under construction" and will be until it has been in operation for a year.)

Through its checkered history, the PGE has consistently shown losses, but recently it was extended northward into British Columbia's oil, gas and wheat belt in the northeast corner of the province.

PGE carloadings in first half were up about 40% — 26,506 versus 17,111.

Lower St. Lawrence Net Profit Rises

MONTREAL (Staff)—Net profit of **Lower St. Lawrence Power Co.** for first half of 1959 was $252,623 ($251,770 a year ago) equivalent to $1.03 per share ($1.01).

Total revenue was $1,604,875 against $1,533,392 in 1958. Operating expenses were $767,524, up $18,993. Provision for income tax was $224,839, up $24,969.

President J. A. Brillant said outlook for next six months is for continuing demand for electric power from all customers Company develops and distributes power in lower St. Lawrence and Gaspe and serves Campbellton, N.B.

Why They're Moving

Facts and comment on what's going on in the market and rumors behind some of the moves.

By RODNEY TOUCHE

July may prove to have been the first month since February in which more stocks went up than down. From March to June, sagging stocks outnumbered climbing stocks by a margin that increased every month. The trend reversed sharply in the first two weeks of July.

This week the Toronto Industrial Index set a new high for the year of 553.31. This compares with 537.77 at the end of June, the peak for the first half of the year. The Montreal Industrial Index reached its high last week. The peak of 334.3 was 5.1% ahead of the end of June and 4% up on the first half's high of 321.5 in early March.

Meanwhile the Western Oils Index at Toronto continues to go down. This week it hit 115.97, its lowest point since December 1955. It has dropped from peaks of 145.22 early this year and 192.99 in mid-1957.

Bank stocks have continued to prove a buoyant group, moving ahead recently on the strength of rumors that interest rates in excess of 6% were soon to be permitted. This would involve a change in the Bank Act, not due for revision until 1964. The rumors have been firmly denied.

Nevertheless, bank earnings are undoubtedly rising. Loans are increasing and interest rates are high. The volume of personal loans is also going up and it would seem that investors would have reason to regard this part of the business as profitable too.

All eight bank stocks have risen since the end of June and six have set new highs for the year. The exceptions are **Imperial**, whose rights offering is not due to expire until Aug. 7, and **National Canadian**, whose rights offering expired June 25. Both these stocks reached their high immediately before they began trading ex-rights.

Seven of the eight banks have offered rights since last October. The exception is **Royal Bank**, which offered rights in March, 1958.

Here is how the bank stocks have moved:

	Recent Price $	June 30 $	Gain %	High $		Low $		Gain %
Toronto-Dom. .	67¾	60	12.9	68¼	(July 24)	51	(Jan. 8)	33.8
Imperial	77¾	70½	10.3	80	(May 4)	62	(Jan. 5)	29.0
Nova Scotia .	83	76⅜	8.7	83	(July 24)	65¾	(Jan. 21)	26.2
Provinciale ..	41	39	5.1	41	(July 23)	33	(Mar. 4)	24.2
Bk. of Comm.	65⅞	61½	7.1	66⅞	(July 24)	54	(Jan. 14)	23.8
Royal	90½	85¾	5.5	93	(July 23)	75¼	(Jan. 2)	23.6
Montreal ...	62¼	59	5.5	62¾	(July 10)	52¾	(Feb. 3)	19.0
Nat. Canadian	59	56½	4.4	63⅝	(Mar. 23)	54	(Apr. 16)	17.8

Some finance companies are sharing the popularity of the banks. **Industrial Acceptance** moved ahead to $41½ this week, firmly above the previous peak of $40⅛ reached last year. Company reported recently that new contracts in the first half were "modestly higher" than a year ago with indications that the trend would hold for the full year.

Atlantic Acceptance, trading intermittently, has reached $8½. Its previous high, at the end of June, was $6¾. **Union Acceptance** has dropped to $11, from $12½ mid-June, with news of net profit falling 2.8% in the first half, compared with a year ago. **Traders Finance,** whose first half results have yet to be published, remains well below its 1959 peak of $44⅛ for the class A stock. Current level: $38.

Expectation of favorable reports on first half earnings is causing a flurry in a number of industrials. **Moore Corp.** jumped from $42½ to $46¼ last Friday, though slipping back this week to $45¾. **Great Lakes Paper** moved up to $44¾. It was $41 at the end of June.

Food chains continue to show weakness. **Loblaw Companies** A and B have both touched new lows for 1959, the class A dropping from $40 at the end of February to $29½ this week, the class B from $42 to $30. Results for fiscal year ended May 30 are not likely to be published before mid-September. A factor depressing the stocks is perhaps the possibility of further financing, which the company has undertaken in the past in the August-September period. Loblaw's capitalization is already complicated with a high proportion of debt and preferred.

Dominion Stores, sharply down at $70 from its peak of $92½, rallied earlier this month to $76, but has since slipped back. Report of operations for the first half of the fiscal year is not expected before mid-October.

Favorable results for fiscal year ended April 30 have sent **Canadian Wallpaper** A & B stocks sharply higher. Company earned $2.59 per share on the combined stock compared with $1.44 the preceding year. Class A stock is ahead at $33, compared with $29 a week ago. Class B jumped to $38 from $30. Spurring the rise to some extent is the plan of the company to take over plants in the U. S.

Meanwhile, U. S interests have been dickering for **Canadian Collieries Resources Ltd.**, the Vancouver timber and mining company with subsidiary interests in oil and gas. No firm bid is before the company at present, but speculative trading over the last three weeks has pushed up the stock price from $7½ to $9½.

Dominion Engineering has strengthened at $21, from $19¾ a week ago, with news of the company's $10 million turbine order confirmed.

* * *

Among speculative stocks, **Arcan Corp.** has been trading close to $1.50 over-the-counter since de-listing at the beginning of last week. Company's expansion plans are still the subject of widespread rumors. One of the strongest this week was that takeover of **A. Bradshaw & Son,** Toronto, was imminent and would have been completed at a price of $1.8 million ($1.1 million cash, balance in shares at $6¼) if Arcan's stock had not plunged down. "There is no deal planned," Alec Bradshaw, president, told **FP** this week. "Arcan people came in to see us, but that is as far as it went."

Arcan director Gerald Groship confirmed this week that Bradshaw was not being taken over. He also stated that he intended to stay with Arcan and "do all I can to make it a success." As operational director of the new companies in the Arcan group, he described them as "all progressing in healthy fashion" although indicated earnings are not available.

Meanwhile, many investors are questioning what earnings can be expected. Net profit of $6,248 was reported in fiscal year ended March 31, 1959, by Arcan's two recently acquired charcoal operations, which include **Canadian Charcoal Products,** promoted in 1953.

For these operations, Arcan paid $125,000 plus 5,000 common shares.

Street rumors now suggest that the company may be reorganized with new interests when the results of the Toronto Stock Exchange investigation have been made known. Groship was unable to comment on the outlook beyond saying that continuation of Arcan's operations involve expansion and that some additional sponsorship may be required.

Stock exchange officials mid-week told **FP** that no findings of the investigation were available for publication.

Another speculative stock in which interest is sharpening is **Mercury-Chipman Knit,** a long-dormant Hamilton textile company, recently discharged from bankruptcy, whose main assets are its charter and its listing on the Toronto Stock Exchange. Interests that include mine promoter Norman Vincent and brokerage firm **J. L. Goad & Co.** are now active in the company and one day last week no less than 105,125 of the company's 498,830 outstanding common shares were traded within the narrow range of 50c-66c. Earlier this year, stock climbed from 9c to 70c then settled back at 55c.

Dividend Changes

CANADA VINEGARS—Common, 30c payable September 1 to holders of record August 15; ex-dividend August 12. Total payable or paid to date in 1959, 80c; total paid to same date in 1958, 75c; total paid in 1958, $1.00 plus 35c extra. Recent price: $38⅛.

SHERBROOKE TRUST — Capital, $2.00 payable August 1 to holders of record July 15. Total payable or paid to date in 1959, $5.00 plus $2.00; total paid to same date in 1958, $4.50 plus $2.00; total paid in 1958, $6.00 plus $2.00.

SUPERIOR PROPANE—Common, 10c plus 10c extra, payable September 15 to holders of record September 2; ex-dividend August 31. This is the first extra paid on the common stock. Recent price: $18.

Note

By VINCENT EGAN

By early this week, dealers had sold all of last week's $50 million two-part issue of 5½% **Ontario** bonds. Trading was at issue price.

Institutional buying was unusually light; less than $2 million of the issue went to insurance companies.

Next provincial issues will probably be the borrowings of **Alberta** and of **Manitoba Hydro.**

* * *

Arrangements are being completed for a private $2 million debt-equity financing by a fully integrated lumber company. Proceeds will be used in construction of a sawmill in Northern Ontario.

* * *

A small department store chain, **Dalfen's Ltd.,** is to issue 200,000 common shares, par $1. Offering at $2 a share will be made by **D. D. Creighton & Co.,** Montreal.

Upon completion of financing, capitalization will consist of 1,000 Class A shares, par $1, and 643,154 common shares.

* * *

It is rumored that **Massey-Ferguson** may undertake a borrowing through a U. K. subsidiary later this year, to finance its proposed purchase of the tractor operations of **Standard Motor Co.** at Coventry.

Agreement with Standard calls for cash payment of about $39.5 million. Standard gets another $8.3 million in its shares which M-F owned.

* * *

British Columbia postponed its tender call for $1,018,000 on behalf of various municipalities, to July 31 from July 21.

* * *

Tight money note: An unidentified finance company, in prominent advertisements, is offering 8½% on its promissory notes.

Many of the smaller personal loan and acceptance companies are having to hunt more diligently for funds to finance new sales contracts.

* * *

Index of yields on six-to-12-month U. S. Treasury securities, published by First National Bank of Chicago, climbed to a high of 3.86% for June, compared with 0.91% a year earlier.

On three-to-five-year securities, index was 4.36% (2.20%), and on 12-year-and-over securities, 4.01% (3.19%).

* * *

With the thirtieth anniversary of the 1929 stock market peak at hand, Investor's Reader has taken a look at a long list of well known stocks which, even now, have not recovered to their 1929 highs. (The Dow-Jones Industrial average is about 75% above its 1929 high.)

Here are three examples of Canadian issues, adjusted for stock splits, etc.:

	Recent $	1929 High $	1932 Low $
Brazilian	6	36	3½
CPR	30	269	7¼
Lake Shore	6	27	21¾

Wool Growers Say Outlook Brighter

If the current upturn in the wool business continues, wool growers in Canada can look forward to a more satisfactory financial year in 1959-60, says **Canadian Co-operative Wool Growers Ltd.,** Toronto.

A grower-owned organization representing more than 20,000 wool growers, company operates five central grading warehouses across Canada as well as branches and collecting stations in every province except Newfoundland.

Despite a net loss of $10,699 for the year ended Feb. 28, 1959, company paid out of surplus a dividend of 50c on each of 13,263 outstanding common shares, the same level as in previous years.

In a recent report on the company's activities (FP, July 25), it was incorrectly stated that no dividends were paid in the last two fiscal years.

Dividends have been paid each year on a regular basis since 1918, when company was formed.

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Texaco Canada Profit Up 12%

MONTREAL (Staff)—Net income of **Texaco Canada Ltd.** in the first half was $4,817,535 ($4,302,186 in first half 1958). Earnings per share were $1.46 ($1.30).

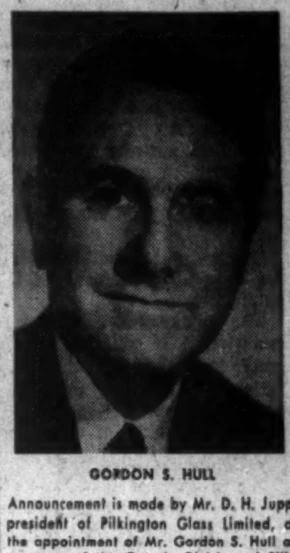
Most of the 1959 increase was registered in first quarter. Second quarter income was steady at $2,183,043 ($2,088,517), equal to 66c (63c).

Inventory loss adjustments due to crude price reductions, and widespread gasoline price wars, were adverse factors in second quarter, said President A. N. Lilley.

Crude oil production and sales continued to show substantial increases over 1958.

ANNOUNCEMENT

PILKINGTON APPOINTMENT



GORDON S. HULL

Announcement is made by Mr. D. H. Jupp, president of Pilkington Glass Limited, of the appointment of Mr. Gordon S. Hull as manager of the Ontario Division of Pilkington Glass. Mr. Hull, who became associated with Pilkington Glass in 1927, has been manager of the Quebec Division since 1950. Mr. Hull is a director of the company.

Profits Here?

A regular listing of latest studies by investment firms

ABITIBI—Royal Securities Corp., 360 Bay St., Toronto

McINTYRE PORCUPINE MINES — James Richardson & Sons, 173 Portage Ave. E., Winnipeg.

MARITIME TEL. & TEL.—Royal Securities Corp.

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Sale of Orange Crush Stock Worth $1½ Million to Argus?

Sale by **Argus Corp.,** Toronto investment company, of its holdings in **Orange Crush Ltd.** may have added $1.5 million to Argus' cash position.

Interests represented by J. William Horsey, chairman of Orange Crush, are understood to have acquired in the deal between 150,000 and 200,000 of 430,482 outstanding Orange Crush shares.

Neither the price nor the number of shares was disclosed. However, at the recent market price of approximately $9.50 per Orange Crush share and based on 175,000 shares, the deal could involve over $1.6 million.

This compares with a total value of $1.5 million for this number of shares (based on $8.63 per share) at end of May and $525,000 ($3 per share) at Nov. 30, 1958.

Argus holdings of Orange Crush were lumped together with other unidentified securities whose total market value was listed in the Argus report at just over $3.6 million at end of May and $2.6 million at Nov. 30. The gain in Orange Crush shares appears to have played the major role in this increase.

Orange Crush earnings in year ended Oct. 29, 1958 totaled $191,154 (45c per share), nearly triple the previous year's profit of $68,353 (16c).

At the annual meeting in March, President J. H. Thompson forecast continued improvement in sales.

Output of the soft drink industry in the first six months of 1959 was ahead of the two preceding years.

July and August are traditionally the best months for soft drink sales. Industry sales are reported to be going well this summer.

ANNOUNCEMENT

NORTON N. LENDE

Mr. S. E. Brock, Executive Vice-President and Managing Director of the Industrial Life Insurance Company, announces the appointment of Mr. Norton N. Lende as Manager of the Company's new office in Toronto. The office, known as Toronto Central, is located at Room 304, 600 Eglinton Avenue East, Toronto. Mr. Lende brings a wide background of experience in the life insurance and accident and sickness insurance fields to his new position.

Abitibi Earnings Up 19.9% U.S. Subsidiary Shows Profit

Consolidated net earnings of **Abitibi Power & Paper Co.,** Toronto, for the six months ended June 30 were $5,320,524, up 19.9% from $4,437,557 in the corresponding period last year.

Earnings per share were $1.22 ($1).

Improvement in net earnings is due to greatly improved operations by **Abitibi Corp.,** Alpena, Mich., states President D. W. Ambridge.

Initial problems have been overcome and the wholly-owned U. S. subsidiary is now operating at a profit. It is becoming established as an important supplier of quality hardboards and insulation boards in the U. S.

Net sales for the period were up 4.5%. Newsprint sales have improved in recent months and sales of fine and printing papers are up over the first six months of 1958.

Outlook for the second half of the year depends largely on the outcome of major strikes now in progress, Mr. Ambridge says.

Average rate of discount on U.S. funds in the first six months this year was 3.39% against 2.63% a year ago.

In connection with taxation, the president states:

"The level of income taxation to which we are subject is higher than that imposed on business generally.

"Much has been said about the inequitable income tax position of the forest industries of Ontario and it is to be hoped that our governments will soon take steps to remedy the injustice that now exists."

Working capital stands at $42,136,435 ($40.4 million at Dec. 31). In the first half of 1959, $1,396,500 first mortgage bonds and 13,149 preferred shares were retired.

Six months ended June 30	1959 $	1958 $
Net sales	64,952,813	62,139,478
Less: Operating costs .	47,963,141	47,180,977
Add: Int. & other inc.	400,582	248,152
Less: Depreciation	4,353,197	3,748,476
Depletion	72,000	85,000
Employees' retire. ..	549,811	529,384
Interest	1,024,659	1,047,570
Discount & expense on funded debt ..	31,063	43,666
Income taxes	6,839,000	5,315,000
Net profit	5,320,524	4,437,557
Earnings per share ...	1.22	1.00

114 Stocks Yield Averages 3.97%

The average yield on 114 dividend-paying stocks on the Toronto Stock Exchange, as compiled by **Moss, Lawson & Co.,** on the prices of July 27 was 3.97%, off .01% from the previous week.

The current yield compares with 4.04% one month ago and 4.53% in the corresponding week last year.

Here is the yield by the various groups:

	July 27 %	Week Ago %	Month Ago %	Year Ago %
Common	3.51	3.52	3.60	4.21
Pfd. & A	4.70	4.72	4.74	4.89
Mining	4.89	4.88	4.93	5.35
Banks	2.70	2.79	2.88	3.25

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The Company's 4% Sinking Fund Debentures, Series "B" issued in August, 1955 and due September 1, 1975, carried Stock Purchase Warrants entitling holders to purchase 15 Common shares for each $500 Debenture. These Warrants are currently exerciseable at:

$11 per share up to August 31, 1959

$13 per share up to August 31, 1961

Each Warrant enables the holder to purchase one Common share of this progressive and growing Company and by exercising their Warrants before August 31, 1959, the holders will be entitled to receive the recently declared dividend of 10¢ per share plus an extra dividend of 10¢, both payable September 15, 1959.

The price change after August 31, 1959 should be noted.

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How Group Boosted Earnings

	First Half 1959	Second Half 1958	First Half 1958
	($000)		
Net sales	25,168	22,683	19,267
Less: Cost of Goods Sold	16,459	15,545	13,781
Selling, admin., research exp.	1,327	1,342	1,603
Mortgage Bonds, interest	1,160	1,190	1,181
Notes, interest	415	439	450
Add: Profit on sinking fund operations (2)	....	166	....
Less: Deprec., Amort., Depl.	3,290	3,121	3,372
Bond discount & exp.	87	88	95
Income Taxes	18	13	....
Net profit (loss)	2,412	1,111	(1,215)
Less: Minority Interest in profit of subsid. (3)	337		
Net earnings	2,075		

Notes: (1) Figures for six months ended June 30, 1959 and full year 1958 have been audited, but the breakdown into two half-yearly periods of 1958 has not.

(2) Sinking fund operations are not reflected in the first six months of the year. Comparable 1959 operations will be completed in the second half.

(3) The minority interest in the common shares of a subsidiary was created at Dec. 31, 1958 upon the conversion into common stock of the previously outstanding preferred shares of Columbia Cellulose Co., and the settlement of arrears of dividends thereon.

INVESTMENTS

Cdn. Chemical & Cellulose: After Troubles, Big New Plans

By PAUL S. DEACON

A DECADE'S struggle to breathe profitable life into the $135-million pulp, textile and chemical complex of **Canadian Chemical & Cellulose Ltd.**, finally appears to be meeting with success.

In unveiling this week a plan to allow Canadian Chemical & Cellulose shareholders to participate directly in the two main operating divisions, the company was able to report profits for both divisions in first-half 1959.

This is a new experience for the enterprise. It started out with great hopes and much fanfare. Its high alpha pulp operation got going in early 1951, but it ran into troubles both in its woods and its plant operations.

Construction of its big chemical and textile fibre plant at Edmonton was started that year and finished in 1953, but costs exceeded expectations and long freight hauls and other competitive factors made it difficult for the company to make its way.

In only one year (1956) since the company was organized in 1951, has the profit and loss statement shown some black (a $41,000 profit). U. S. parent **Celanese Corp. of America** had to step in to provide money more than once. Losses ranged from $1.3 million to $3.8 million.

The turning point appears to have come last year. After losing $1.2 million in first half 1958, company made about $1.1 million in second half 1958 and boosted this to $2.1 million in first half 1959. Thus for the 12 months ended June 30, earnings have amounted to about 60c a share on the 5,040,400 common.

Of the $2.4 million profit (before deducting $300,000 minority interest) in the January-June period, $1.5 million was earned by **Canadian Chemical Co.** and its subsidiaries, and $900,000 by **Columbia Cellulose Co.** and its subsidiaries.

Net sales of Columbia Cellulose were slightly higher in first half 1959 than those of Canadian Chemical ($13 million vs. $12.6 million). Its total assets are smaller ($63.5 million vs. $76.6 million), but shareholders' equity is larger ($35.8 million vs. $32.1 million).

The Columbia Cellulose shares which would be distributed to Canadian Chemical & Cellulose shareholders under the proposed plan would have an interest in 68% of this equity, or roughly $24.3 million, and 68% of its first half net profit, or roughly $635,000.

The story of these two main divisions is an excellent case history of the attempt of a U. S. company to build a future in Canada, and at the same time allow Canadian investors to participate.

The public paid $15½ per share for one million shares back in March, 1952. Half the stock was offered in Canada, half in the U. S. The balance of four million shares was retained by Celanese Corp.

The shares haven't been as high as that since 1952, although they touched $16 that year. The difficulties in getting the operation on its feet depressed the stock, and it dropped as low as $4½ in 1957.

Some of Canadian Chemical's competitors in the past have pointed to the company's performance as a good reason for not inviting public participation in such a brand new enterprise. The risks are great, and only large corporations with other interests can afford to take on a project of this nature.

For investors who thought they were buying into a surefire operation, perhaps this view had merit. The plants had to be big to be efficient, and this required a huge amount of capital. Markets had to be developed, employees trained, bugs in new processes and equipment removed.

All this has taken a long time — much longer than most participants hoped. But this is a profit and loss economy, and all the economic studies and engineering plans in the world won't guarantee black ink.

There were lots of people in the chemical business back in 1951 who had doubts about Canadian Chemical's prospects. Their assessments then were in many respects correct, as events turned out.

On the other hand, Celanese Corp. and the Canadian team it built up deserve a lot of credit for their determination to make the operation go.

They are still bent on new enterprises. Columbia Cellulose now owns all the stock of **Celgar Ltd.**, a company set up in 1952 to develop an integrated forest operation in the Columbia River basin in British Columbia. Aside from a small logging operation, this project has been marking time.

Now it is proposed to go ahead with it. A pulp mill at Castlegar has been started. Its capacity is to be 500 tons a day, to serve a wide variety of paper markets. A new sawmill will operate in conjunction with the pulp mill. Total new investment at Castlegar: $50 million.

The growth plans of the two main divisions of the business are major reasons for their separation. "While the cellulose and chemical operations are closely related to each other, their financial opportunities will be different at different times," Chairman Harold Blancke and President Max Mackenzie explain in a letter to shareholders.

"If, in recognition of this, we provide for direct ownership of shares in the two operating sections of the business, the way is prepared for financing their individual expansion programs independently."

Canadian Chemical & Cellulose shareholders, under the proposal which will be voted on Aug. 20, would receive one share of Canadian Chemical and one share of Columbia Cellulose for each share now held. The present holding company would disappear.

The scheme is logical, company officials feel, not just because of money-raising advantages. It would also be in line with present operating realities, they say.

"Canadian Chemical and Columbia Cellulose have both become substantial businesses on their own account. Their management needs are diverse, and they have been organized as genuinely separate companies, each benefiting from the enterprise of an independent staff and distinctive organization.

"The co-ordination and central direction provided by Canadian Chemical & Cellulose are confined to matters of broad policy. A financial separation of the two companies can therefore be carried out without disturbance to existing managerial practice."

The letter does not refer to any specific expansion plans of Canadian Chemical. However, it does say that "with relatively small adjustments, output can be substantially expanded and diversified."

In the corporate shuffle, a new wholly owned Canadian subsidiary of Celanese Corp. **Chemcell Ltd.**, holds the U. S. parent's 82% interest in Canadian Chemical & Cellulose and its 32% direct interest in Columbia Cellulose.

It also owns **Chemcell Fibres Ltd.**, which merchandises in Canada the yarns and fibres of both Celanese Corp. and Canadian Chemical. Canadian Chemical holds a five-year option from June, 1958, to purchase it.

Chemcell is now Celanese Corp.'s major foreign investment subsidiary. It is responsible for financial management and co-ordination of the U. S. firm's interests in all countries outside the U. S. —in Canada, Mexico, Venezuela, Colombia and elsewhere.

Through the creation of Chemcell, company points out, there is now a separate instrument for co-ordinating the two Canadian operating businesses, with each other and with their associates outside Canada, without having to retain Canadian Chemical & Cellulose as a holding company standing between the shareholders and the operating companies.

Harold Blancke, chairman of Celanese Corp., is chairman of Chemcell, and Max Mackenzie, who has headed the Canadian holding company, is Chemcell's president. **Former Canadian deputy minister of trade and commerce Mackenzie thus will have a key role in running Celanese' far-flung operations.**

"By establishing the overall management of its external operations in Canada," the letter states, "Celanese Corp. of America is confirming its recognition of Canada's role as a storehouse of materials and repository of skills which can be utilized for world-wide industrial development."

There were probably times when Celanese Corp. may have had second thoughts about the advisability of having outside partners in the Canadian enterprise. Wholly owned subsidiaries don't have shareholders who complain or, as a rule, financial reports to present for the public's scrutiny.

On the other hand, the operation appears to have worked well enough, despite its troubles, **to make the U. S. company put even more enterprises under the wing of its Canadian group.**

Maybe other U. S. companies will be encouraged to take the plunge, and let Canadians share in the future risks and opportunities of their operations here.

How Two Parts Compare

6 mo. ended June 30, 1959

	Canadian Chemical Co. & Subsidiaries	Columbia Cellulose & Subsidiaries
	$000	
Net sales	12,630	13,046
Operating profit	4,443	2,929
Interest	1,162	413
Deprec., depl. etc.	1,782	1,581
Net profit before taxes	1,498	936

NOTES:

1. Depreciation provided in corporate accounts in prior years exceeds, on a cumulative basis, the amounts claimed for income tax purposes. In the case of Canadian Chemical, this excess at Dec. 31, 1958 was $6.9 million; for Columbia Cellulose, $6.7 million. These amounts may be applied in 1959 and future years against earnings which would otherwise be taxable.

2. Second half 1958 sales of Canadian Chemical were $11,013,415 and profit on operations before fixed charges, $3,644,624. Comparable figures for Columbia Cellulose are not given. Increased sales were major factor in improved Canadian Chemical results, company says.

3. Columbia Cellulose results include $119,000 loss of Celgar Ltd.

Here is Range Of Four Textiles

In a roundup of selected textile stocks (**FP**, July 25), price range of four stocks was printed incorrectly.

Here is the correct price range as it should have appeared:

	Price Range 1951-1957 High $	1951-1957 Low $	1958 High $	1958 Low $	1959 High $	1959 Low $
Cdn. Celanese	68	12½	19¾	13	23½	18⅛
Cdn. Chemical & Cellulose	16	4½	8¾	4.80	13	8⅜
Cdn. Industries	28¾	15	17⅞	15	20¼	15½
Du Pont of Can.	35½	16⅜	21⅞	16	28½	19¼

U.K. Firm in Canada Eyes Big U.S. Electrical Jobs

A more intensive approach to the U. S. market is being considered "closely" by **Associated Electrical Industries (Canada) Ltd.**, U. K.-owned Canadian distributor of heavy electrical equipment.

Recently, **John Inglis Co.** of Toronto won a $6.5 million order for equipment for a Missouri River power project, and **Dominion Engineering Works,** Montreal, a $10 million order for a Columbia River project, over the protests of U. S. manufacturers who had submitted substantially higher bids (**FP**, July 25).

This has been interpreted as a liberalization of the U. S. administration's attitude toward purchase of foreign-made machinery and equipment for Government-financed projects, particularly if the foreign bidder has facilities in North America.

Earlier this year AEI (Canada) submitted an unsuccessful tender on a turbine required for a Los Angeles power development.

The name, AEI (Canada), was recently adopted in a move to consolidate Canadian operations of the U. K. parent, and to eliminate competition among AEI's Canadian companies for the same business.

Senior Canadian subsidiary was formerly known as **British Thomson-Houston Co. (Canada).**

Canadian operations and employees of another AEI subsidiary, **Metropolitan Vickers Electrical Export Co.,** have been transferred to AEI (Canada). Metropolitan Vickers, which exported heavy electrical equipment to Canada, has terminated its marketing arrangements with **Canadian Westinghouse Co.**

The U. K. parent, at last report, held 500,000 of the 11,365,084 outstanding shares of Axel Wenner-Gren's **Peace River Power Development Co.**

While AEI (Canada) hopes to win a contract to supply power equipment for this giant British Columbia project, Managing Director Hugh G. McHaffie told **FP** the reorganization was not connected with the company's participation in PRPD.

A third phase of AEI's Canadian operations, **Siemens-Edison-Swan Ltd.** of Winnipeg, continues unchanged for the present. Company distributes AEI-made telephone equipment.

British Thomson-Houston Co. was established in 1895 in the U. K. by **General Electric Co.** of Schenectady, N.Y. It became a subsidiary of AEI when that company was formed in 1928.

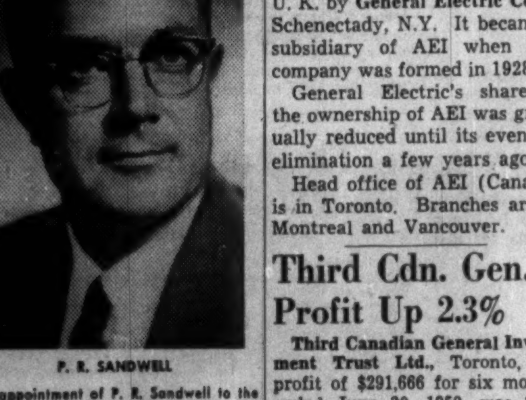
General Electric's share in the ownership of AEI was gradually reduced until its eventual elimination a few years ago.

Head office of AEI (Canada) is in Toronto. Branches are in Montreal and Vancouver.

BOWATER CORP. OF NORTH AMERICA from March 20 to June 30 purchased for cancellation 14,779, 5% cumulative redeemable $50 par preferred shares and 540 5½% cumulative redeemable $50 par preferred shares, leaving 339,410, 5% preferred and 145,547, 5½% preferred shares outstanding.

ANNOUNCEMENT

TORONTO GENERAL TRUSTS



P. R. SANDWELL

The appointment of P. R. Sandwell to the Vancouver Advisory Board of The Toronto General Trusts Corporation is announced by C. C. Calvin, Q.C., president. Mr. Sandwell, who is known internationally in engineering circles, is president of Sandwell and Company Limited, consulting engineers in Vancouver, and is a director of other consulting engineering companies in Canada, the United States, and abroad.

Third Cdn. Gen. Profit Up 2.3%

Third Canadian General Investment Trust Ltd., Toronto, net profit of $291,666 for six months ended June 30, 1959, was 2.3% above $285,234 in the like 1958 period.

Earnings were equal to 15.9c per share compared with 15.5c last year.

Apparent liquidating value at June 30 was $9.32 per share, 29.3% higher than $7.21 a year earlier.

Investors' Monthly Review

for July includes comments on the proposed merger of

MacMillan & Bloedel Limited and **Powell River Company Limited**

The economy and security markets are reviewed and a broad selection of recommended Government, Municipal and Corporation securities is included.

Copies supplied upon request.

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Rights Expire August 7, 1959

We recommend shareholders of the Imperial Bank of Canada exercise their rights immediately. Rights entitle holders to subscribe for one new share at $40 for each five shares held. Rights expire August 7, 1959.

We will be pleased to assist in the exercise of rights, purchase or sale of rights, or shares.

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Southam Net Climbs 22%

Southam Co., Toronto, net profit of $2,078,697 for the first half of 1959 was 22% above $1,704,727 in the corresponding period last year.

All but 5.3% of the increase was accounted for by a special nonrecurring dividend from **London Free Press Holdings Ltd.,** President Philip S. Fisher states.

Capital expenditures totaled $271,000 in the latest period against $746,000 in the first half of 1958.

The sale of a portion of Southam's holdings in **Niagara Television Ltd.** has been completed.

6 mos. ended June 30:	1959 $	1958 $
Gross revenues	19,001,972	17,065,035
Less: Oper. expends.	14,459,685	13,090,693
Depreciation	555,618	577,129
Interest	195,474	210,066
Income taxes	1,691,000	1,441,000
Minority interest	21,498	32,420
Net profit	2,078,697	1,704,727
Net per share	2.77	2.27

Cdn. Gen. Invest. Earnings Higher

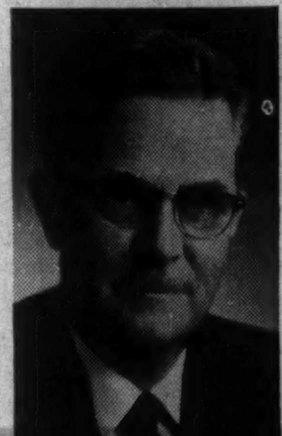
Canadian General Investments Ltd., Toronto, net profit for the six months ended June 30, 1959, was $705,483, up 1.9% from $692,417 in the comparable 1958 period.

Earnings were equal to 73c (72c) per share.

Apparent liquidating value at June 30 was $49.42 ($39.19 last year) per share.

ANNOUNCEMENT

THORNTON PURKIS LIMITED



SIG T. BARDAL

Mr. W. E. Taylor, President, Thornton Purkis Limited, announces the appointment of Mr. Sig T. Bardal, prominent Canadian advertising and marketing executive, as a Vice-President and Director of the Company. Mr. Bardal, formerly a Director of the Globe and Mail Limited, Director of Advertising of the Globe and Mail, and a Director of the Canadian Daily Newspaper Publishers Association, brings to his new position many years of experience in the fields of advertising, marketing and public relations.

MACASSA PRODUCTION

Macassa Mines turned out gold bullion worth total of $181,276 during June. Total of 13,442 tons were milled during the period for an average recovery of $13.49 per ton.

NOTICE OF SALE

NOTICE that the Municipal Corporation of the Township of Georgina is offering for sale the following debentures to the public.

$85,000 for the erection of the township administration building, maturing in twenty years.

$36,000 for the addition to the Morning Glory Public School, maturing in fifteen years.

$35,000 for the paving of the Duclos Point Road, maturing in ten years.

ANY PERSON INTERESTED IN PURCHASING ALL OR ANY PART OF THESE DEBENTURES (BUT NOT IN LOTS OF LESS THAN $1,000) SHOULD COMMUNICATE WITH THE UNDERSIGNED,

R. A. Hankins,
Pefferlaw, Ontario.
Clerk of the township of Georgina.

GENERAL MANAGER

Starting salary $8,000-$10,000

The Job:
A challenging opportunity to manage an exclusive Golf and Country Club in Western Canada.
This permanent year-round position involves diversified responsibility including direct supervision of some 50-55 personnel during peak season.

The Man:
A highly personable and congenial individual age 35 to 50 who has acquired a sound background in business administration.
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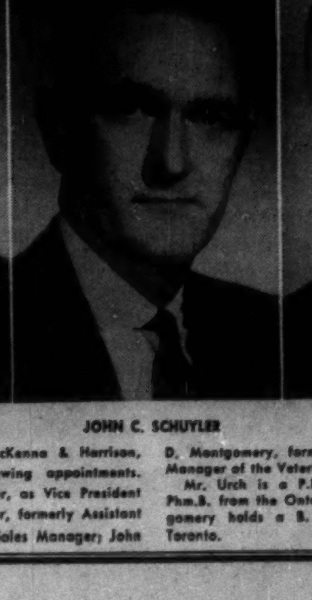
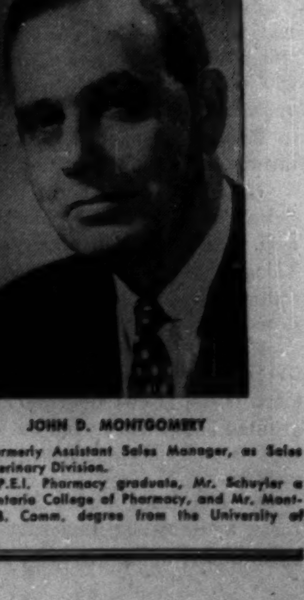
ANNOUNCEMENT

AYERST, McKENNA & HARRISON LIMITED APPOINTMENTS

DAVID S. URCH



JOHN C. SCHUYLER



JOHN D. MONTGOMERY

E. Glyde Gregory, President, Ayerst, McKenna & Harrison, Limited, Montreal, announces the following appointments.

David S. Urch, formerly Sales Manager, as Vice President in Charge of Marketing; John C. Schuyler, formerly Assistant Sales Manager in the medical field, as Sales Manager; John D. Montgomery, formerly Assistant Sales Manager, as Sales Manager of the Veterinary Division.

Mr. Urch is a P.E.I. Pharmacy graduate, Mr. Schuyler a Phm.B. from the Ontario College of Pharmacy, and Mr. Montgomery holds a B. Comm. degree from the University of Toronto.

Queen of Canada

Canadians say au revoir to Queen Elizabeth this week. Though the royal tour was manifestly not just a chore but, in part anyway, a pleasure for the visitors, there's a consensus that the program was too exhausting.

No party leader, even with the yen for power to urge him on, would work himself so hard in a 45-day election campaign. In future it should be possible for the Queen to come to Canada for a holiday by a lake, mountains or green fields.

But there's another point to be made. The Queen is our chief of state. The title "Queen of Canada" is not as new as many think. Sir John Macdonald so referred to Queen Victoria in the 1880s.

It follows that Elizabeth II should not be treated here like a foreign dignitary or an exotic bloom on show. She is one of the three estates of our parliament, consisting of Queen, Senate and Commons. So the BNA Act has said since 1867.

It follows also that some of the British reporting and comment was not only recklessly sensational but impertinent as well when London papers demanded that the Queen "come home". This country is or should be home to her; and what she does here is her own and Canada's business.

Unwittingly the insular British scribes have given aid to Canada's republicans (a group whose members can't be counted since they're not very articulate). If, as these writers imply, the sovereign is off base and out of place in this country, our monarchy is certain to disappear. Meanwhile it is part of the parliamentary system that most Canadians regard as superior to the competing variety; and our republicans can't have it both ways.

The Importance of Being Unearnest

Heaven forbid that today's organization man in his grey flannel suit should have a grey flannel mind to match — but someone, somewhere, has made the auto industry look mighty silly.

It started with Ford. Anticipating competition from rear-engine cars, Ford has been running a cunning TV commercial showing the crooked course taken by an arrow weighted at the rear. Then it showed the accuracy of front-weighted arrows and the precision with which a front-engine Ford could negotiate a mountain climb.

Chevrolet, which is producing a rear-engine car, couldn't let it go. They brought their one-time research director, Maurice Olley, out of retirement to tell newsmen why it was better to put the engine in the back of the car rather than in the front. By the time he was finished, it was hard to see why anyone would want a front engine car.

But then someone found a paper Mr. Olley had given in 1953 criticizing rear-engine cars. Chev's answer: No inconsistency; there have been technological advances since.

Ploys, gentlemen, should be answered with ploys. Why, for example, didn't Chev counter Ford's arrows by showing two outboards, one with a motor at the rear; one with a motor in front?

What the Kids Have Done

Anyone who is convinced that the younger generation is going to the dogs, might stop for a moment and consider what the kids in the Canadian Junior Red Cross have done.

They have raised, since the beginning of the year, some $11,450 — and done it the hard way. From St. John's to Vancouver they have sold candy and fruit, staged concerts and dances, washed cars, shone shoes and added it up penny by penny and quarter by quarter.

The purpose: To promote international friendship by bringing to Canada for a few weeks 50 or so boys and girls from Nigeria, Haiti, Ceylon, South Africa, Peru, Vietnam, Yugoslavia and some 35 other countries.

The young guests will spend their first week in the homes of members of the Junior Red Cross. Then they will spend 10 days in Toronto at the new Junior Red Cross Study Centre whose purposes are "to strengthen international understanding; to acquaint young people with the humanitarian principles of the Red Cross; and to enrich Junior Red Cross activities in all nations through the exchange of ideas and experiences."

The last generation doesn't, to say the least, seem to be doing too well in international affairs. If this Junior Red Cross experiment is any indication of what the coming generation considers important, there's hope for tomorrow.

Our Low Divorce Rate

In the closing hours of the Ottawa session Senator Arthur Roebuck presented, for the eighth year, his annual report on divorce. It included the remark that Ontario's record of 2,708 divorces in 1958 was "a very good showing indeed, for the province of Ontario". It was the smallness of the figure that pleased the senator.

In Canada as a whole last year 6,211 marriages were dissolved, about average for this decade. It worked out at 36.5 per 100,000 population; but the provincial rates varied astonishingly from B.C.'s high of 97.0 to P.E.I.'s low of 1.0, meaning exactly one divorce.

Canada's national rate compares with Britain's 50, a little higher than ours, and a U. S. rate of 210, nearly six times ours. This may signify that Canadians enjoy exceptional married bliss; but it could also prove that our law is more strict.

The Senate is interested because it has the job of trying cases from Quebec and, since 1949, Newfoundland. This year it granted 353 petitions (all but one from Quebec) and rejected three, again close to average.

An odd thing about Mr. Roebuck's reports, and ensuing discussions, is that senators never, or hardly ever, raise the question: Why should Quebec and Newfoundland cases occupy parliament's time when divorces are granted by the courts in the other eight provinces? Religious beliefs of the Quebec majority, it is well known, rule out divorce; but why are these beliefs less affronted by an act of parliament than by a judicial decision?

But the anomaly is apparently here to stay. It troubles neither the Senate nor the public; and one or two anomalies don't do a country any harm.

Thirsty Days Ahead?

"People won't worry about water until the tap runs dry," complained a speaker at the recent international convention of the American Water Works Association.

He warned that such a day might not be very far off for many regions on this continent.

There have been plenty of warnings.

Farm wells have been going dry in southern Ontario. Streams have suddenly disappeared. Cities like London have had to drill deeper again and again to reach underground water. Few large centres in Saskatchewan have ever had an abundance of good water and in some western areas drinking water is sold by the pail.

A great many rapidly-expanding municipalities are worried now; they can't keep growing unless they get more water. Yet in 15 years at the present rate of growth and consumption we will need twice as much water as we are using now.

The problem, as water-short southern California has long since discovered, is not going to be solved overnight. It's going to take long-range planning and far more and wider co-operation among municipal and provincial authorities.

Wanted: A Hard-shell Puritan

One of the most sensitive appointments to be made by any government comes up with the approaching retirement of Canada's auditor-general, Watson Sellar. This is a case where the man is the job. Only a Canadian such as Mr. Sellar with first-rate qualities of character as well as competence is worth appointing as watch-dog of public expenditure on behalf of Parliament.

We have been fortunate, at several critical points in our history, in having tough-minded, upright and inflexible men watching the distribution of public moneys. The periods in between — when the personality was wrong — have produced some extremely funny stories; but this is not a type of humor Canada can afford when the national budget is in billions.

The auditor-general has to be a man who insists on doing his job, regardless of consequences; who considers the principles of proper public spending important even when the amount involved is only pennies; who considers stupidity and negligence just as deplorable as deliberate misuse. He must be, in short, an old-fashioned, hard-shell puritan where public money is concerned. This is a dying breed; it won't be easy to find one to take this important post.

Now I Ask You

Who invented the cigarette that breathes is not an earth-shaking question; but *Newsweek* cannot be allowed to get away with the statement that "even a Canadian firm got into the act".

"As summer edged toward August's heat," the magazine says, "cigarette-makers broke out a flurry of newspaper ads to announce their own contribution to public comfort—air-conditioned cigarettes."

Follows a list of American tobacco concerns that are producing the new kind of smoke; then the surprised footnote already quoted—"even a Canadian firm got into the act."

The true story is that cigarettes with a built-in cooling system, like insulin, standard time and transcontinental railways, were invented in Canada and are being copied in the U. S.

Everything's up-to-date in this northern suburb.

Post Scripts

Insurance Man

Donald A. Roberts, former mayor and long-time resident of Waterloo, Ont., is the new president of the Life Insurance Institute of Canada.

A career insurance man, Don Roberts has spent all his business life with the Mutual Life Assurance Co. of Canada, of which is now vice-president and comptroller.

Born in Napanee, Ont., in 1902, Roberts was raised and educated in Kitchener and Waterloo. His early years with Mutual Life were spent in the claims department. He became senior claims officer in 1946 and four years later office manager in charge of head office personnel and planning.

In 1953, two years after he was appointed associate secretary, Roberts was elected a Fellow of the Chartered Institute of Secretaries. He is a past chairman of the London branch.

Active in community affairs, he served as mayor of the City of Waterloo in 1952 and 1953. He is immediate past president of the Waterloo Chamber of Commerce; vice-president of Kitchener-Waterloo Federated Charities; and vice-president of the Waterloo branch of the Canadian Red Cross.

Keenly interested in the welfare of young people in the Kitchener-Waterloo area, he is a director of the K-W YMCA and sits on the board of governors of Waterloo College. He is also a member of the advisory committee of the K-W Collegiate board.

For 25 years Roberts was secretary of St. Mark's Lutheran Church, where he still teaches the adult bible class.

Roberts and his wife, the former Jean Macdonald of Pictou, N.S., have two sons and a daughter. Their older boy, a recent honor graduate in business administration from Western University, has gone into the life insurance business in Toronto.

What little time is left over from an active business and community life, Roberts likes to spend in his garden or playing tennis with his wife. No novice at the game, he was western Ontario doubles champion in 1937-38.

Aim of the Institute which Roberts now heads is to promote the educational development of the staffs of Canadian life insurance companies. Courses are given, examinations set and, in the larger centres, special interest groups are organized to study claims, underwriting and branch office administration. Each spring and fall, the Institute conducts seminars at which students and members get together to exchange ideas.

H. M. SLEIGH

Seeks New Industry

With big developments already under way in Manitoba's north, and bigger prospects in sight, the provincial government in Winnipeg is convinced that its industry and commerce branch will become one of its most important departments. Most recent step in a general re-organization is the appointment of Manitoba-born Harry McLean Sleigh as its assistant deputy minister. Actually Sleigh will be director of industrial development.

He returns to his native province with a record of achievement and experience in the same line of work in Ontario. For the last five years he has been Ontario's special ambassador in the middle west with headquarters at Chicago, the first full-time industrial commissioner of the province resident in the United States.

Still under 50, Sleigh was born on a farm at Rossburn in northwestern Manitoba, his father having been the second settler in the district. After high school graduation he worked five years in western branches of the Bank of Toronto. During his employment he kept up courses in self-education in accounting and business administration. Eventually he took time off for a business college course after which he got employment in Winnipeg, latterly as acountant for a tractor distributing firm.

Shortly before the start of the Second World War he was commissioned with the Fort Garry Horse at Winnipeg, then a militia unit. He went overseas and served until 1945 being discharged with rank of major. For a time he was on the Headquarters Staff of Canada's Second Armored Brigade which helped plan and took part in the invasion of the continent.

O. A. ROBERTS

After the war he served a number of years in a staff capacity with the militia.

Back in civilian life he located in Toronto and joined Ontario's planning and development department in 1949.

In his new post Sleigh will promote the kind of projects suggested in the recent Little report on the industrial potential of northern Manitoba. At the same time he will not overlook the possibilities for industry location south of the 53rd. In the past five years 134 U. S. plants have located in Ontario. Sleigh doesn't claim he was responsible for all of this but he certainly helped. He hopes to do as well now for Manitoba.

Heads School of Commerce

An expert on economics who has appeared before several federal royal commissions, Dr. Hu Harries, of Edmonton, has been appointed new director of the school of commerce at the University of Alberta. He will take over this fall. Harries rejoins the staff of U. of A. from which he graduated in agriculture in 1945. He received a M.Sc. degree in economics and statistics from Iowa State University in 1946. Two years later he received his master of arts degree in economics from the University of Toronto then lectured at the Alberta University later taking his Ph.D. in economics and government from Iowa State.

Harries is president of Hu Harries and Associates, Edmonton economic consultants. With his university duties, he will continue in private consulting practice.

Dr. Harries was retained in a professional capacity by the Borden Commission assessing Canada's energy resources, the Gordon Royal Commission which reviewed Canada's economic prospects and the Royal Commission on the South Saskatchewan River Development. A member of the Edmonton city council, Dr. Harries will not seek re-election when the civic election is held in October.

One of the major branches of the University of Alberta, the school of commerce had a total registration of 280 this year, 150 at the main school in Edmonton and 130 at the Calgary branch.

DR. HARRIES

What Others Are Saying

Same Old Story

Ottawa Citizen

It's the same story every session of Parliament, no matter what party is in office. There is a frantic last-minute rush to clear the order paper and go home, and hundreds of millions of dollars of public money are voted in the most perfunctory way. It is true that at the present session some large departments were given detailed study by standing committees, but by no means all were dealt with in this manner.

Obviously there is need for more careful planning of the sessional business, well in advance, if such performances — or lack of them — as were witnessed during the closing days of last week are to be avoided. Parliament might somehow learn to maintain a fairly even pace throughout. This does not mean gagging debate, but a better use of the time.

THE PROTECTION sought by the American Farm Bureau Federation against the dumping of Canadian pork in the U.S., points out the **Montreal Family Herald**, "is much the same as that Canada has provided to protect Canadian producers from dumping of U.S. turkeys and some other products in this country at less than their cost of production. Such measures are unfortunate by-products of domestic price supports and the large surpluses which they sometimes encourage."

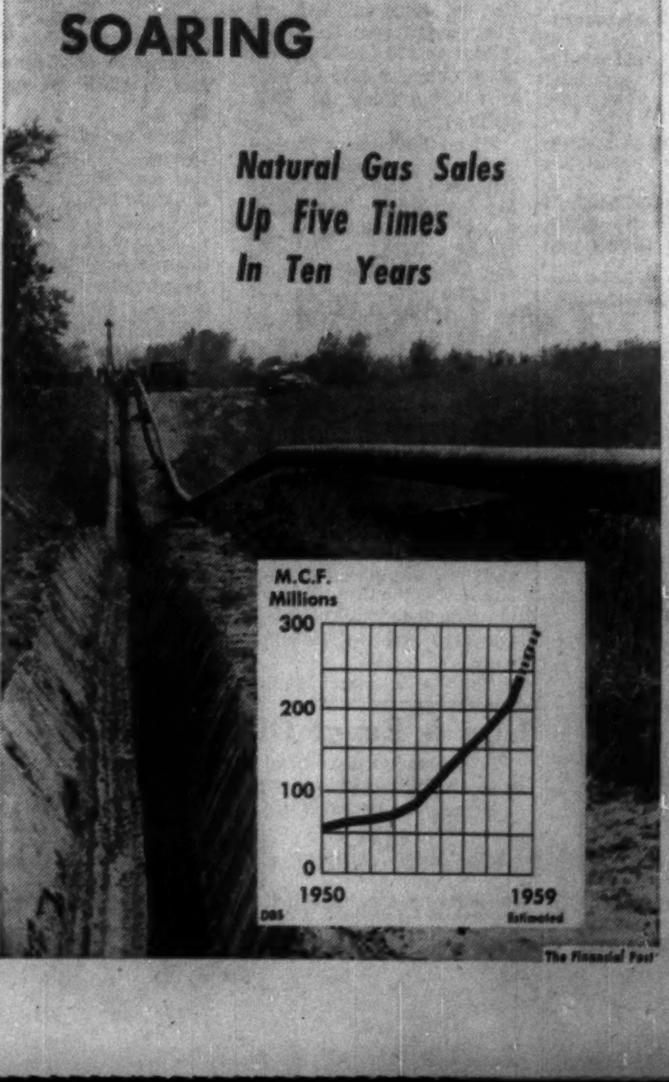
COMMENDING the report of the Commons Committee on Mines, Forests and Waters which was sharply critical of the value of government spending in the Arctic, the **Peterborough Examiner** points out: "The work done in government committees whether on the municipal or Dominion level, often is the most vital accomplished by elected representatives."

PLANS FOR KEEPING the St. Lawrence Seaway ice free in winter got no support from the **Fredericton Gleaner**, staunch defender of New Brunswick Atlantic ports. It declares: "Mr. Hees is against such a project. He has said, in effect, that the Canadian government is against it. We trust that, should feelers come from the United States, they will be rejected with despatch."

QUEBEC PARTICULARLY feels Japanese textile competition but we should be cautious about restrictions, declares the **Montreal Star**, which points out: "We sell Japan much more than Japan has sold to us. If now, for domestic reasons, we check Japanese sales in this country, it is reasonable to expect that Japan will stop buying from us. We will safeguard our textile plants — but only at a price which our primary exporters will have to pay. They, somehow or other, will have to find markets to replace those we now stand to lose in Japan."

IN VIEW OF GROWING world competition, Canadian farmers should ask themselves if their farm organizations are going in the right direction, warns the **Farm and Ranch Review (Calgary)**. "It is one thing to win the support of members by capitalizing on the normal human grievances; to blow up the complaints with demands for more special subsidies, benefits, protections and hand-outs. But is this the right way?"

STRIKING TIMBER workers in B. C. are demanding $124.80 for a 40-hour week, points out the **Calgary Herald** which comments: "In the face of wage demands such as these it is no wonder the union leaders are worried about a 'growing' anti-union, anti-labor trend in Canada. Just who do they think is responsible for this trend?"



Napier Moore's

Scratch Pad

THE SENSATION CAUSED BY THE TAKE-OVER by Canada's Roy Thomson of the Kemsley newspaper empire, a deal involving somewhat astronomical amounts of money, is still causing speculation as to why 75-year-old Viscount Kemsley decided to sell, particularly as the Sunday Times, a paper of which he was particularly proud, goes with the package.

The same question was asked some months ago when his nephews (of the Camrose branch of the Berry family) suddenly sold their control of Amalgamated Press, the huge magazine publishing firm, to the Daily Mirror. And there have been musings over recent sales of other family controlled businesses, all involving payments of millions of pounds in cash as well as profitable transfers of stock.

I myself put the question to a man who has been a pretty shrewd observer in London's City for many years. He said, "I may be wrong, but I have a notion that those who are selling have it in mind that sooner or later there will be capital gains taxation in England, and they figure they'd better make the gains when the going is good."

I asked him if he had it in mind that the next government would be Socialist. He said, "I think that any government, Socialist or Tory, will ultimately have to resort to a capital gains tax."

Which would be a bitter pill for football pool winners.

• • •

IT WAS A GORGEOUS ENGLISH SUMMER DAY, and in a Tudor setting I lingered amidst a profusion of flowers. I had wandered through 1½ acres of well-tended gardens—a Spanish garden, alive with bloom and reminiscent of an old Californian mission; an old English garden with a stone bridge spanning a stream on which ducks paddled; a woodland garden, with tall elms, birches and chestnuts. It was all very lovely. And unique. Because the gardens are more than 100 feet above ground level. They are, in fact, on the roof of a Kensington High Street department store, that of Derry and Toms.

It's a roof specially constructed to bear enormous weight, for the depth of soil in the beds is 2 ft. 6 in. The annual bedding takes 30,000 plants, all raised in tucked-away rooftop greenhouses. The water used for hosing is pumped from two artesian wells 400 ft. deep.

There's a small admission charge of one shilling, and by it more than half a million dollars has been raised for charities.

Incidentally, placed outside a garden tearoom is the shell of a Nazi bomb which fell on Derrys on the night of April 16, 1941. It broke on the structure but fortunately failed to explode.

With true British phlegm, visitors use it as a repository for cigarette butts and burned matches.

• • •

WHILE IN DERRY AND TOMS, I took in an exhibition of gifts given to Prince Philip during his world tour, this in aid of the National Playing Fields Association, in which H.R.H. is vastly interested. An astonishing array of native craftsmanship varying from outrigger canoes (and a highly polished turtle) to exquisitely jeweled Indian miniatures and large models of the Taj Mahal and the government buildings in Karachi. I can imagine the Queen plaintively asking, "Where are we going to put them?"

Two items were missing from a collection of grass skirts and such made on one or other of the South Pacific islands. I discovered this when I heard a woman asking one of the busbied Scots Guards on duty what happened to the brassieres. Said the soldier, "They were removed after the opening day, madam. It seems there was some adverse comment concerning them."

I got into conversation with a tall, bemedalled full sergeant of the Guards, resplendent in red sash. Somehow or other the matter of tourists came up. He said, "You've no idea what we go through when we are on sentry duty outside Buckingham Palace. We've even had to have the gilt buttons on the backs of our tunics fastened on with strong wire. So many souvenir hunters would sneak up behind us and snip them off!"

Stop Me If . . .

An army officer had dictated a letter to the young secretary in which the words "intelligence officer" were used twice. The secretary, not used to army titles, typed "intelligent officer".

The officer who had dictated the letter roared at the little secretary: "Look at this! Whoever heard of an intelligent officer!"

The Sunday school teacher had given her pupils a lesson. When finished she said: "Now we'll see how much you remember. Can anyone tell me what you must do before you obtain forgiveness of sin?"

There was a long silence, and then a voice in the back row said hopefully, "Sin?"

The Financial Post

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Poppy Juice Makes Good Melodrama

But our savage drug laws should give way to a civilized system . . .

By J. B. McGEACHY

IN DEALING with the narcotic question in Canada, I shall argue here, we ought to get rid of the savage and frenetic laws we have copied from the U.S. and try, instead, the more civilized system that prevails in Western Europe.

This system treats addicts as sick or unfortunate persons, gives them the drugs they need for nothing or next to nothing, attempts cures and, at the same time, shrinks the whole issue to a mere pinprick of social irritation by abolishing the drug pusher.

The public interest and slight case of hysteria aroused by the story of Toronto's opium-eaters was, of course, not surprising. Sleep - making poppy juice, now taken as morphine, heroin or codeine, has been good copy since the Greeks knew it as nepenthe and Homer wrote about it in the Odyssey 3,000 years ago.

In North America the story has every ingredient of melodrama — mystery, sex, violence, smuggling, forbidden pleasure and gorgeous dreams mixed up with agony and collapse. Yet, as a social question here and now, opium is only a little more significant than bubonic plague. Compared to whisky and city traffic, it's hardly noticeable.

Many addicts (no one knows how many) use narcotics regularly without distress to themselves, their families or the community; no need for the law to concern itself about them.

Other users, through weakness of will, shortage of money or both, get into trouble with the police and make a hash of their lives.

Some of these unhappy people may be warped to begin with; but every addict who becomes a social nuisance should be given a chance to break the habit with medical, including psychiatric, care and advice. Then, after cure, the sheep and the goats, the peace-loving and the criminal, could be sorted out.

Indiscriminate jailing is disgraceful and worse than useless. Hanging the "pushers", which has been proposed, would only satisfy the public's vengeful emotions.

True, the man who hooks people into addiction for his own profit, by hard or soft sell, may be a more diabolical character than any murderer except perhaps the bluebeard like Landru or Brides-in-the-bath Smith who slaughters his victims wholesale for gain. But hanging never cured anybody or anything.

These are the main elements, as I see it, in the opium question of our time and place. It's disturbing but not alarming. We are in no danger of being enslaved en masse as the Chinese were in their bad old days.

This brings me to a current news item from the Far East and an example of what's called the irony of history.

The Chinese News Service, published by Chiang Kai-shek's New York office, says that the Tokyo police have just "cracked a narcotics ring that smuggled $275 million worth of drugs from mainland China to Japan in the last 10 years."

The point of interest is that this massive consignment of opium was smuggled FROM, not into, China — a reversal of the old order.

Though the Chinese News Service is mainly an anti-Peking propaganda agency, its story may well be true. It agrees with United Nations reports that China is pushing drugs—abroad. (One way to find out and cope would be, of course, to get China into UN.)

J. B. McGEACHY

"Indiscriminate jailing of narcotic offenders is disgraceful and worse than useless. Hanging the pushers, which has been proposed, would only satisfy the public's vengeful emotions."

The puritans in charge at Peking, trying to enforce physical fitness by law, are jailing their own narcotic sinners for life; but possibly Mao and Co. think of an export business in opium as not merely legitimate and profitable but also sweet revenge.

To see how times have changed, turn back to India in the 1780s. The great Warren Hastings had just taken charge. He was shocked to find the Indians growing and using opium to excess. Indian jockeys were injecting it into their horses. Hastings denounced it as "a pernicious luxury that ought not to be permitted but for the purpose of foreign commerce only."

He meant selling it to the Chinese, by force if necessary; and indeed in 1840, in the inglorious "opium war", the helpless Chinese were compelled to let into their country the drug that their emperors had been trying to banish since the year 1700.

Time's whirligig is indeed performing a flip-flop if the Chinese rulers of 1959, taking a cue from Warren Hastings, are acting on the belief that opium is bad medicine for their own people but all right for the heathen outside the wall.

But I can't believe that the Communists regard opium as a secret weapon; and I am quite sure anyway that no Western nation can be seduced into mass addiction.

For one thing, life is too enjoyable in these parts to make sleeping it away in an opium or heroin den look attractive. There's also the matter of price.

The Chinese took to opium because it was cheap. In particular, it was very much cheaper than wines and spirits, a less effective anodyne. Who would spend 100 sen on a bottle of whisky when two sens' worth of opium would yield the same nirvana or better?

In Canada, as readers of the daily press are now well aware, it's the other way around. No free agent (i.e., no non-addict) will buy heroin at $6 a cap, said to be the going price, when whisky is 50c a glass.

But the economics of this situation are puzzling and remind me of a scene in Edgar Wallace's play, "On The Spot". The chief gangster, a portrait of Al Capone, is ordering wreaths for the funeral of the latest of his henchment to be bumped off at his command. "Buy all the orchids in Chicago," he tells a surviving henchman. "Boss," says this character, "it would pay us to grow our own flowers."

I wonder why our addicts don't grow their own poppies. It can be done in this latitude. At Edinburgh in 1820 a surgeon named Young obtained 56 lb. of opium from an acre of poppies and sold it for 36 shillings a pound.

I am not recommending his example or papaver somniferum for anybody's garden. I merely note that opium, fresh from that flower, is almost a free economic good like sunshine. The original value of a $6 shot of heroin was perhaps a fraction of a French sou before the franc recently took on weight. Like little apples and grapes, the soporific poppies are at this moment basking in the sunshine by the trillion — in lands where labor is cheap. The plant exists, as it has existed since Homer smote his bloomin' lyre, and men will use it. Control is feasible; prohibition is not. Indeed the medical art would be hard hit, if morphine vanished.

Not all opium-eaters, as I said a moment ago, are dangerous derelicts. Many have been respectable, talented, virtuous and successful. The classic case is Thos. de Quincey (1785-1859) who describes his fantastical experiences in "Confessions of an English Opium-Eater".

De Quincey started taking opium at Oxford when he was 19. He broke the habit by sheer will power three times in his long life; but in his 70s he was still relying on what he apostrophizes as "just, subtle and all-conquering opium, that, to the hearts of rich and poor alike, for the wounds that will never heal, and for the pangs of grief that 'tempt the spirit to rebel', bringest an assuaging balm."

De Quincey swallowed his anodyne in the liquid form of laudanum, a tincture of opium taken in warm water with a dash of wine. This was a "negus", de Quincey's cup of tea. In an Edinburgh museum I have seen pages of his MSS with the purple ring left by his tumbler.

His tolerance became so great that, at his meridian, he was taking 8,000 drops (80 dessert spoonfuls) every day. Maybe laudanum was to today's heroin as a glass of beer is to the 160-proof rum that used to be found (smuggled of course) in bone-dry Prince Edward Island. But de Quincey's tipple was no relation of beer and rum. It was opium juice and he took enough of it in a week, or perhaps a day, to fell a regiment.

"According to the modern slang phrase," he writes, "I used fabulous quantities." (Some slang words are long-lived; this was written in 1821.) He has been described as a unique case and a medical wonder. But he was famous and made his habit known. Who knows how many obscure men got sozzled just as he did and stayed much quieter than the alcoholics of the period?

Besides being an opium-eater, de Quincey was a genius as writer and scholar, a socially harmless person and a good provider. He wrote reams of first-rate literature, was loved by his friends, had eight children by the same lawfully wedded wife, and lived to be 74.

S. T. Coleridge, another genius, also took laudanum. He managed two quarts a week but was evidently weaker-willed than de Quincey for he could not break his chain, became unreliable, took to hiding his bottles like an alcoholic and lived only to the age of 62.

These two mighty men of letters, de Q. and S. T. C., were contemporaries and friends; but they engaged in a furious controversy that has, to my mind, its hilarious aspects. Each accused the other of being a voluptuary, taking opium for a thrill. Each maintained that he himself, but not the other man, had first used it for the relief of rheumatism, neuralgia, toothache and other ills.

Clearly both had guilt feelings. Do not suppose for a moment that they advised others to live in a trance as they did. De Quincey says that laudanum enhanced his enjoyment of opera but admits that it prevented him from getting life insurance.

He makes three other concessions to learned opinion: 1, that opium is tawny brown; 2, that it is "rather dear" at three guineas a pound; 3, "that if you eat a good deal of it, most probably you must do what is disagreeable to any man of regular habits, viz., die."

In self - exculpation de Quincey put in his book a list of his famous acquaintances who shared his habit.

His list included Wm. Wilberforce, Rev. Dr. Isaac Milner and a philosopher he doesn't name, who was probably Sir James Mackintosh, listed in other people's catalogues.

Wilberforce was the great anti-slavery man, a pillar of his church and so genially righteous that the public accepted him as "the conscience of the nation". Milner was Dean of Carlisle, head of a Cambridge college, deeply religious and very learned. Mackintosh was an eminent Scottish lawyer, philosopher and radical politician.

In lives of these men that I have read (in the Dictionary of National Biography, for example), I find no mention of drugs; and this seems to weaken the story. But de Quincey says they were "known" to him as habitual opium-takers and he published his book while two of them were still alive which seems to settle the question. It remains only to add that, after active careers, Wilberforce died at 74, Milner at 70, Mackintosh at 67.

Would de Quincey or S. T. C. have gone to a drug clinic if one had been open in London or the lake district? They would both have been amused, I think, by the peculiar operations of the clinics that were in business in 144 U. S. cities, including New York, Los Angeles and New Orleans, in 1919-25.

My source here is a magazine article by Rodney Gilbert, an American writer who takes the stern, no-nonsense but in fact nonsensical view that addicts are criminals, not invalids. He denounces the clinics for coddling the wicked and says that the experiment was a fiasco. On his own evidence, as I see it, there was never any chance that it could succeed.

To begin with, the clinics were evidently run by municipalities with no state or national co-ordination. Then the treatment was always, as the doctors say, "ambulatory"; i.e., the patient was always free to walk away and go about his business. He did not necessarily receive his injection on the premises. He could have his dose wrapped up "to take out", like chicken in a basket.

Most addicts, it seems, regarded the clinical fix as simply one on the house, to be supplemented on the black market.

In New York state there were 17 neighboring towns with clinics. An addict with a flivver could collect 17 shots a day if he could still steer and still felt unhappy after, let us say, the fifth or tenth.

The clinics also had phony clients who had never used drugs. Naturally these customers "took out" their doses and hoarded them for sale to genuine addicts.

This mad plan reads like something out of Gilbert and Sullivan or Alice in Wonderland. No wonder it flopped. To denounce the free administration of drugs on the strength of the American experience, as Mr. Gilbert does, is absurd and outrageous.

They manage these things better in Western Europe where the British system is typical. Information on this system is scarce. There's a political conspiracy of silence about it in the U.S., combined with propaganda to discredit it by false statements.

To the serious student I commend an article by an American sociologist, Dr. A. R. Lindesmith, in "Law and Contemporary Problems", Vol. 22, 1957. This publication may be found in legal and parliamentary libraries. The information that follows is from Lindesmith.

There are no "clinics" in the British system, though there are nursing homes where addicts may take a cure. Any British doctor may prescribe a narcotic drug for anyone who needs it. Each dose or shot costs the patient one shilling or 14c.

The patient breaks the law if he gives a false name, gets prescriptions from more than one doctor or obtains extra supplies from non-medical sources. But he has no need to commit any of these offences.

There is no penalty, or even stigma, attached to being known as an addict to a doctor and to the Home Office man whom the doctor notifies. Moreover, the doctor may prescribe as much morphine, heroin or even marijuana as the patient requires; there's no legal limit.

The doctor is liable to penalty if he prescribes for "mere gratification"; but if he finds that an addict is incurable, lives and works comfortably with a regular dose but goes to pieces without it, he may prescribe daily injections for the rest of that patient's life. It's up to the doctor, as a matter of professional ethics, to attempt to cure and advise a stay in hospital or nursing home when that is needed.

This humane system works. There were only 335 registered addicts in the whole of U.K. in 1955, a fraction of the known number in Vancouver alone. There is indeed a black market in Britain but it gives the police almost no trouble and is patronized mainly by people who are ignorant of the law, including Chinese and Africans. There are few — very few — unethical doctors; and the law catches up with them quickly because elaborate records must be kept and are regularly inspected.

Narcotics provide no melodrama for the British press; in London one rarely reads or hears of a drug case in the police courts. Pushers are unknown. British law defines an addict as a sick person. Public feeling toward him is pity; but, says Dr. Lindesmith, if a man should ask a London prostitute where to buy heroin, she would probably report him to the police.

I think Canada might well adopt, adapt or at least study this sane and compassionate European arrangement.

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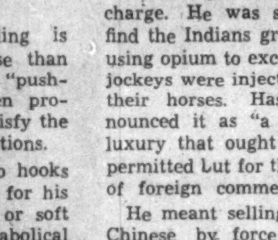

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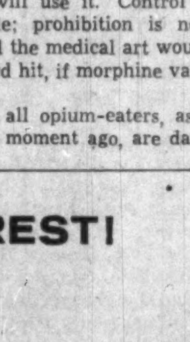

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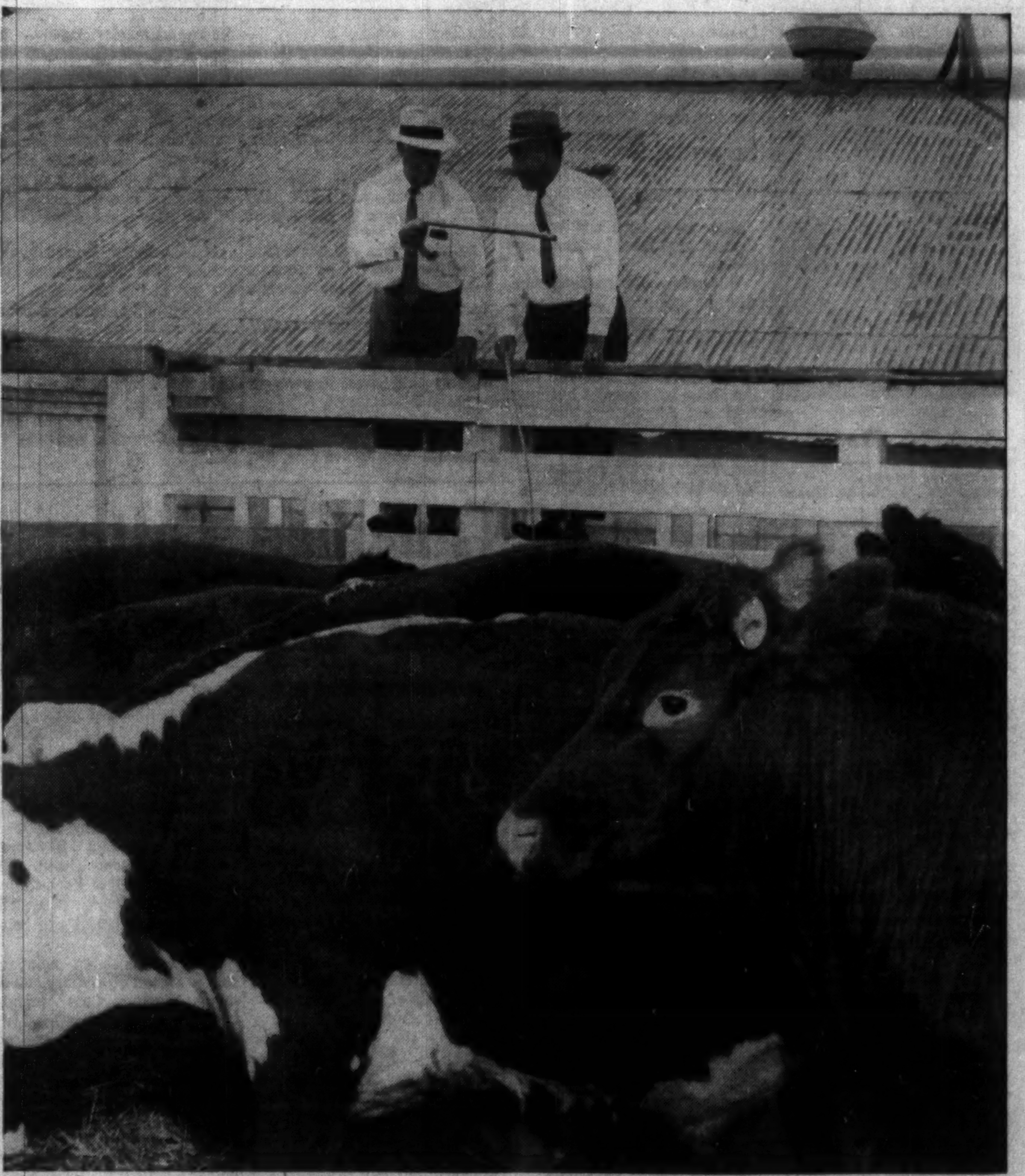

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Banker gets the "Right Steer"

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ANNOUNCEMENT

BABCOCK APPOINTMENT

REAR ADMIRAL W. W. PORTEOUS

Babcock-Wilcox and Goldie-McCulloch Limited wishes to announce the appointment of Rear Admiral W. W. Porteous as Manager of their new Ottawa Office located in the Victoria Building at 140 Wellington Street.

Admiral Porteous has recently retired from the post of Chief of Naval Technical Services of the Royal Canadian Navy. The establishment of this office will enable the Galt, Ontario, firm to provide closer liaison with customers in the Ottawa area.

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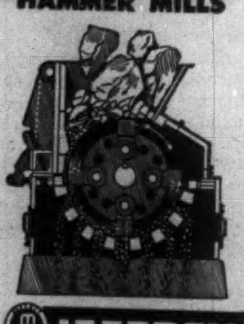

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ERVIN B. PARRAG

Ervin B. Parrag, MEIC., P.Eng., announces the establishment of an engineering consulting service, to be known as "Ervin B. Parrag and Associates", at 5890 Monkland Ave., Montreal 28, Telephone HUnter 8-5009.

Following 20 years experience in Middle European and Balkan Countries as Consulting Engineer, and as General Contractor for heavy construction and buildings, and as consultant for efficiency improvement in industry, Mr. Parrag has for the past ten years been successively Chief Estimating and Designing Engineer for a large Canadian power utility and for one of Canada's leading general contractors.

His work in Canada has included design of all aspects of hydro-electric power developments, steam and diesel plants. It has also included preparation of tenders for many such projects in Canada, USA, and South America, as well as investigations, engineering and economic feasibility studies. Besides offering its services to Consulting Engineers and owners, the firm will specialize in services to general contractors for complete tenders, including camp and plant layout, field efficiency improvement and other special services.

ANNOUNCEMENT

MONTREAL TRUST APPOINTMENTS

HERMANN C. STOCKWELL

LLOYD N. WHITTEN

The appointment of Hermann C. Stockwell as supervisor of investments for the company at Montreal has been announced by Montreal Trust Company. Mr. Stockwell was formerly the manager of the investment department. Lloyd N. Whitten, formerly assistant manager of the investment department, has now been named manager of that department.

SECOND HALF

Business Sign: Chemical Sales Roll into Boom

(CONTINUED FROM P. 1)

been able to export all surplus to the U. S.

Canadian Industries Ltd. sales and earnings slightly higher in first half.

High industrial tempo is maintaining demand for heavy chemicals at a good level.

The polyethylene market is still climbing, but company's Edmonton plant was shut down for a month and a half this summer to tie in big new expansion facilities.

Company this week announced construction of plant to manufacture pentaerythritol tetranitrate at its Beloeil Works, Que.

Most of output from new $500,000 plant will be used in manufacture of blasting accessories.

Dow Chemical of Canada half year sales up 7%-10%.

But earnings not as good, partly affected by prolonged start-up trials in new linear polyethylene plant. Early teething problems now being overcome.

Site for proposed new phenol plant has now been decided — Vancouver.

Plans for caustic soda and chlorine plant on optioned ground at Fort Saskatchewan, Alta., well advanced. Late fall construction start looks possible.

Du Pont of Canada Ltd.'s half year sales and earnings are better. Sales running about 10% ahead of same period last year, with earnings improvement even better than that.

Most company divisions showing half year gains. Nylon market looks particularly good.

Imperial Oil Ltd.'s petrochemical operations at Sarnia are now getting back to normal, following cut-back caused by strike at chief customer's plant — Polymer Corp.

Outlook for company's surplus ethylene production from big new plant: Steadily improving, with new customers coming into the picture.

Polymer Corp. is rapidly getting back into full operation following three-month strike.

Expects to have all divisions back at high level in one to two weeks.

Regardless of sales trend plant will be operating at capacity levels for remainder of year building up completely depleted inventories.

Will not know until fall how the strike hit overseas business. July and August are normally the slowest months of the year.

Shawinigan Chemicals' sales and earnings were up appreciably in first half, reflecting generally higher industrial demand for its varied products.

Sales were some 15% higher than in the same period last year, and earnings improvement was at least as good as that.

Outlook: Continued improvement over remainder of year.

Earnings potential has been boosted by full ownership now of **Canadian Chemicals & Resins** (formerly 50% owned). This division is experiencing a considerably better year, with pick-up in auto production boosting vinyl business.

Union Carbide Canada sales and earnings were considerably better in the first half.

Total sales from all company divisions were up 10%-15%, with earnings better than that. Sales of chemicals divisions showed an even greater gain.

Major factors behind improved trend:

- Higher demand from brisker industrial tempo.
- Higher operating levels of recently completed plants and expansions.

Outlook: Even greater improvement in the last half.

Company this week announced plans for construction of a new polyethylene film plant at Cowansville, Que. The 24,000 sq. ft. new facilities will boost film capacity by 50%.

HUDSON'S BAY NET

Hudson's Bay Oil & Gas Co.'s net profit in first half 1959 was $970,000, equal to 5c a share ($735,000 and 4c a share respectively in same period last year). Larger sales of natural gas, principally from the Cessford field, accounted for a $772,000 increase in gross operating income over last year's period. Revenue gains of approximately $500,000 from increased crude oil sales and pipeline throughput were offset by revenue losses resulting from reduced crude oil prices. Oil production averaged 20,773 bbl. daily in the period—up 1.8% over same period last year. Sales of natural gas averaged 45.9 million cu. ft. daily—up 37 million daily over last year.

Saskatchewan Power Plant Coming Soon

From Our Own Correspondent

SASKATOON — Saskatchewan will get another power station soon.

Plans for others are on the drawing boards right now — as the demand for electricity grows.

Russ Brown, minister in charge of the province-owned **Saskatchewan Power Corp.**, told **FP**:

"We need a new power station and we'll have to build it right away. There'll be an announcement in two or three weeks."

Speculation:

Development of a project at Squaw Rapids in northeastern Saskatchewan (FP, Nov. 15, 1958).

It is needed to serve the area and would be essential if an iron ore body at Choiceland is proven to be valuable enough to be mined.

However, Brown said any project at Squaw Rapids would "have nothing to do" with Choiceland, although from the crown corporation's standpc'nt a mining enterprise would be profitable to it.

The minister also told **FP**:

"We're planning other plants equal to, or bigger than, the one in Saskatoon."

The Queen Elizabeth Power Station in Saskatoon, commissioned by Her Majesty on July 22, is the largest in the province.

Its capacity of 132,000 kw. will be doubled.

Cost of the plant, which can be operated by coal, fuel oil or natural gas, is estimated at $20 million.

Now It's Horses On Credit Plan

(CONTINUED FROM P. 1)

a U. S. bank was financing the purchase of ponies.

"It seemed to me like a closed society, this horse business here," he said.

Instalment buying should give less wealthy families an opportunity of affording a horse, he continued.

"When you buy a horse for $600 or $700, you don't stop there. You have to pay $50 or $60 a month for board."

Mr. Spadafora estimated that in a 50-mi. radius of Toronto at least 2,000 to 3,000 horses a year could be sold.

He is doing his own financing, taking down payments as low as $100 on a $700 horse and the balance paid over a year or longer at 9% interest.

Most of the buyers were families, some with young wives or daughters who like to ride, Mr. Spadafora said.

He has on hand about 25 horses of many kinds — imported, registered, saddle and gaited, western saddle, jumpers, walking, palominos and ponies.

They are priced as high as $2,000, but most of those sold are in the $550 to $800 bracket.

Potential buyers can ride a horse for a day, week or so to see if they like the horse, and at the same time exercise the animal.

Mr. Spadafora started to ride horses when he was about 12—but not in the wild West.

He learned to ride at a riding school in Medford, a suburb of Boston.

Although still a U. S. citizen, he is a Toronto enthusiast.

"This is the only city that I can think of that you can have a place like this right in the city."

Canadian Cottons Sells Off Assets

(CONTINUED FROM P. 1)

to reorganize the capital stock of the company in 1951, the proposal included a liquidation value of $35 for the preferred shares. The plan, however, did not receive judicial sanction.

In making the proposal, E. C. Fox, then president, said in a letter to shareholders:

"Under the provisions now attaching to the preferred shares, I am advised that it is not clear as to whether, in the event of winding up of the company, the preferred shares are limited to receiving the capital paid up thereon ($20 per share) or whether, after return of capital paid up on both the preferred shares and the common shares, the preferred shares are entitled to participate with the common shares in any surplus assets."

In his judgment refusing sanction, Mr. Justice F. T. Collins stated in part, on this point:

"The court has come to the opinion that it would be fair and just for the common shareholders and the preferred shareholders to determine the question of the distribution of the earned surplus of the company on the basis proposed by the directors under circumstances which would give to all shareholders every right to exercise their power to vote without restriction. The judgment would serve no purpose in retaining the voting rights for the preferred shareholders if those voting rights could not be used by them to express their opinion upon the distribution of the earned surplus by way of stock dividend."

Recently company disclosed it was closing its Hamilton, Ont., mill by year-end. In April, Canadian Cottons closed subsidiary **Cornwall & York Cotton Mills**, Saint John, N.B. The plant and equipment are being sold.

One month later, company sold a second subsidiary, **Rosamond Woollen Co.**, Almonte, Ont., to **Zephyr Textiles Ltd.**

Last year, company disposed of its investment in **Textile Sales Ltd.**

This leaves Canadian Cottons with only its plants at Cornwall.

In the annual report to shareholders issued in June, President L. C. Bonnycastle said that company planned to cut back certain lines of production at Cornwall.

He noted that company must either make substant'al new capital outlays to revamp plant and machinery in order to cut costs and boost efficiency, or withdraw from manufacturing areas in which operating losses were being experienced.

Decision to withdraw, he added, was reached because satisfactory return on new capital investment could not be anticipated.

Major question now: Will the withdrawal be complete?

Canadian Cottons director J. D. Paddon, vice-president, production, confirmed this week that "a whole series of negotiations" are continuing for the sale of machinery.

What will be left will be "a very modest operation," said Paddon. He said he could not comment on the possibility that there would be nothing left.

Meanwhile, some 950 employees are in process of being laid off at the main Canada mill, which will be running out some operations for the next few months before the equipment is removed. Another 700 employees remain for the present at the other Cornwall mills. Their future depends on the outcome of current negotiations for the equipment in some or all of these mills.

At its peak, Canadian Cottons employed 2,300 in its Cornwall operations.

The Outlook

(CONTINUED FROM P. 1)

geared more closely to refilling the space left on the retailer's shelf by actual consumer buying.

- **Healthy increase in spending on durables will make 1959 a good contrast with 1958.** An over-all gain of 8% appears to be in the making.

Cars will probably set the pace with a 10% advance, although domestic-made cars may be up only 7%-8%. Imports will show sharper gains. Many **household appliances** will be chalking up impressive increases, too. One exception, however, is likely to be TV sets where the market is near saturation, especially if compared to 1955. But the so-called white goods should turn in a good performance, reflecting the recent increase in housebuilding.

- **Spending on non-durables will mark up a somewhat smaller increase—perhaps about 6%.** Steady gains are expected in most products including food, beverages, clothing, tobacco, reflecting rising consumer incomes and a growing population.

Food sales, for example, which now take more than one fifth of every consumer dollar, will be up 6%. **Soaps** might be up 8%. **Clothing** expenditures are expected to be about 5% greater than last year.

- **Biggest increases in consumer spending, however, will probably take place in the "services" area.** In total, outlays for shelter, medical or dental care, education, recreation, transportation will probably be some 9% greater than in 1958.

The proportion of the consumer dollar going to pay for services has been rising steadily over the postwar years. This year these items may absorb more than one third of total consumer incomes.

John Lounsbury, economist, Toronto-Dominion Bank sums up the outlook for consumer spending this way:

"In a setting of buoyant personal incomes and over-all growth in the economy this year, consumer goods industries in Canada seem headed for a record year. Decided improvement will take place even in primary textiles, and all along the line inventory rebuilding and higher consumer demand will have their impact on production and sales."

* * *

The house building industry should achieve 135,000-140,000 starts this year, now that Ottawa has decided to re-enter the direct lending business. Effective the beginning of September, builders of NHA housing will be able to obtain loans from Central Mortgage & Housing Corp. to finance up to 15 houses.

The loans will be of particular help to the small builder who has been hardest hit by the scarcity of mortgage money for NHA housing.

The production builder, however, isn't so happy. One such builder told **FP**: "There may be protests registered at this week's meeting of the National House Builders' Association. Many builders would like to see CMHC direct loans given on a sliding scale based on past production records rather than being fixed at an arbitrary number."

Whatever the outcome, the supply of mortgage money for NHA-insured loans at 6% has been dropping rapidly. The total of NHA loans from approved lenders fell from 6,140 in June, 1958, to 3,860 in June, 1959. Total number of loans from approved lenders for the first six months of this year was 19,703 as against 23,006 for the same months last year.

"There are just too many alternative investments offering a more attractive yield," the mortgage manager of a leading insurance company told **FP**.

* * *

Business will be affected by a change in banking practice scheduled to take place this week. To some extent anyway, it reflects current borrowing pressures on the banks' cash reserves.

Cheques of $100,000 or more will, after July 29, be debited from accounts immediately upon being presented for payment rather than upon receipt of the cancelled cheque two or three days later.

The banks, apparently, will use teletype and telephone to notify the branch concerned that they have cashed a cheque for $100,000 or more drawn upon one of its accounts.

The purpose is to reduce total "float", or cheques in transit, and so hold down the total of public deposit liabilities. To the extent that the banks can jointly hold down deposits, their required cash reserves with the Bank of Canada (8% of deposit liabilities) are kept down correspondingly. **Conceivably, this frees cash which could be put to more profitable use.** The move also means that the bank cashing a large cheque is not, in effect, making an interest-free loan for a few days.

Store Chain Sells Stock, Seeks Small City Market

MONTREAL (Staff) — A Montreal - based department store chain has ambitious expansion plans in the swelling shopping centre market.

Its principle target: Towns in the 5,000 - 15,000 population bracket.

At present the chain — **Dalfen's Ltd.** — has 11 stores in operation and is building a 12th in a new shopping centre at St. Genevieve, on the northwest edge of Montreal.

The present outlets are spread through Quebec and the Maritimes. All are small department stores, specializing in clothing and accessories and general household appliances.

Next week, **FP** learns, company will offer 200,000 $1 par value common shares, through **D. D. Creighton & Co.** of Montreal, at $2 a share.

Issue is already fully subscribed. Proceeds will be used to meet costs of new expansion.

Company's president, Joseph Dalfen, told **FP** he has two main expansion plans.

- "We are negotiating to buy a number of stores in Quebec and the Maritimes to add to our existing chain," he said.

"In addition we are going to start another chain of men's wear stores in shopping centres under another name.

"We are at present discussing purchase of a seven-outlet chain of men's stores. Our idea is to extend them across the nation."

Dalfen feels his operation fits neatly between the big department store chains and the small independents.

By running a chain operation with minimum overhead, he is certain he can stay in business against all competition. He calls his stores "junior" department stores.

Company had sales of $1,174,000 for the 8½ months up to June 15 this year, $1,489,551 for the year ended Sept. 30, 1958.

Present outlets are at Montreal, Dorval, Granby, St. Hyacinthe, Baie Comeau, Cabano, Rimouski and Sept Isles in Quebec; Hawkesbury, Ont.; Dartmouth, N.S., and Edmundston, N.B.

PRONTO URANIUM MINES LIMITED
Dividend No. 2

Notice is hereby given that a dividend of 50 cents per share has been declared on the issued Capital Stock of the Company, payable in Canadian funds on August 20th, 1959, to shareholders of record at the close of business on August 10th, 1959.

By order of the Board
GEORGE BAKER
Secretary
Toronto, July 28th, 1959

He's One-Man Sales Force For Canada

(CONTINUED FROM P. 1)

many customers, president A. Tanner and vice president and general manager Paul Lux made a survey.

They talked to Canadian customers, convinced themselves that establishment of a Canadian operation would be a good thing.

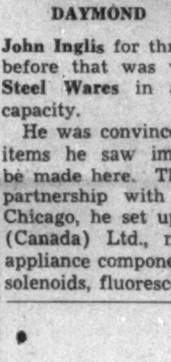
"Daymond," an executive of Lux told **FP**, "is a human dynamo and a first class salesman for Canada. Frankly, I wasn't really aware of the tremendous growth of your country except in a vague, general way. I hadn't been there in 25 years."

Right there lies a hindrance to bringing U. S. branch plants to Canada, Daymond believes.

In his opinion: "Many U. S. firms whose products are sold here honestly don't know too much about the country.

"Once they fully realize the market potential for their particular products, they're ready to study possibility of establishing an operation here.

"Federal and provincial trade departments do a fine job. But people who act as representatives for U. S. firms can concentrate their fire on specific firms and use their own knowledge of a particular market to persuade them to come to Canada."



DAYMOND

Go-getter Daymond was a purchasing agent with **John Inglis** for three years and before that was with **General Steel Wares** in a purchasing capacity.

He was convinced that many items he saw imported could be made here. The result: In partnership with **L. Frost** of Chicago, he set up L. H. Frost (Canada) Ltd., manufacturing appliance components — relays, solenoids, fluorescent lamp ballasts and other control items.

Every item now made by his firm, says Daymond, was previously imported. He will continue to handle sales and service for Lux, expects to sell components to Lux, Dole Valve and Detroit Controls.

U. S. Interests Eye B. C. Firm

From Our Own Correspondent

VANCOUVER — U. S. interests apparently have their sights on another major British Columbia company.

Although **Canadian Collieries Resources Ltd.** has received at least two inquiries as to whether all or part of its assets are for sale, it's doubtful that any early deal will be made.

CCR's directors have a high appreciation of the company's assets. No firm bid is before the company at present.

CCR has coal and iron ore on Vancouver Island, extensive timber holdings and a plywood mill, real estate and some oil interests.

CCR's annual meeting was told — confirming recent rumors — that inquiries regarding purchase of the company's assets have been received. Some interests inquired about the whole company, some about part of its assets.

Crown Zellerbach and **Georgia Pacific Plywood Corp.** have been mentioned as among the inquirers, but both have denied it.

The rumors sent CCR shares, which were at $4.70 at the start of the year, to a recent high of $9.50. Some observers feel this is still low, and not an accurate indication of CCR's assets.

F. Ronald Graham, is chairman of CCR's board; president is investment man Norman R. Whittall; and gas pipeliner Frank McMahon is also a director.

ANNOUNCEMENT
NO. 228/10
AUGUST 1st 1959

Pursuant to the Pre-Announcement No 228/7 of 2nd May, 1959, District XIV of the Petroleum Districts of Iran having the boundaries defined in the said pre-Announcement is, as from this date, declared as "Open." Applicants desiring to carry out petroleum operations in the said District may act according to the procedure laid down in the above mentioned Pre-Announcement.

NATIONAL IRANIAN OIL COMPANY
A. ENTEZAM
Chairman of the Board of Directors

H. P. SKOGLUND, President

Skog says...

"A beautiful sunset depends on faith!"

Ever wonder what accounts for all the vivid colours in a sunset? I did. And I made the mistake of asking a friend who's steeped in scientific fact. I promptly got a long lecture on the refraction of the sun's rays through changing gases in the atmosphere, suspended ice crystals and dust. It was almost enough to spoil my enjoyment of nature at its most beautiful.

But beautiful or not, a sunset would be a terrifying sight if you weren't absolutely certain the sun were going to come up again the next morning. It's that complete confidence in tomorrow that lets you see the beauty of tonight's sunset.

Which explains what we at NALAC mean when we talk about "Confident Living." We mean the faith in tomorrow that leaves you free to enjoy today.

That's what your NALAC representative helps you achieve through a soundly planned and complete program of insurance. He's working to give you such faith in the future that you can live fully today. So before too many more sunsets, call your NALAC man, and plan for Confident Living.

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New Men Speed Up Tariff Board Work

Back to full strength, the board is now in shape to deal with some pressing revisions . . .

OTTAWA (Staff) — The government's announcement that the Tariff Board will be restored to full five-member strength by the end of August coincides with the board's own publication of a schedule of hearings which will finish off its large-scale inquiry into the textile tariff early in the new year.

- **Louis C. Audette,** chairman of the Canadian Maritime Commission, has been appointed to the chairmanship of the tariff body effective Aug. 1.
- **Eldon C. Gerry** of Prince Albert, Sask., has been appointed a member, effective Sept. 1.

Both appointments run for the standard 10-year term.

- **F. L. Corcoran,** a member of the board since last summer, has been promoted to vice-chairman, effective last week.

The new textile hearings begin Sept. 21 and run through the third week in January.

The board has been operating at a reduced pace since the end of March because of the removal of the only three members with long board experience.

Former chairman Hector B. McKinnon retired at his own request, having stayed 18 months longer than he wanted to at Mr. Fleming's insistence.

The two former vice-chairmen, F. J. Leduc and W. W. Buchanan, were not reappointed by the government on the expiry of their 10-year terms.

Both Mr. Buchanan and Mr. Leduc had been identified, with some clarity, as Liberals.

Mr. Audette has been a career civil servant since he entered the External Affairs department in 1945.

Besides his chairmanship of the Canadian Maritime Commission, Mr. Audette holds five appointments on crown corporations or government boards: Presidency of **Parke Steamship Co.,** memberships on the Court Martial Appeal Board and the Northwest Territories Council; and directorships of **Export Credits Insurance Corp.** and **Crown Assets Disposal Corp.**

Because the chairmanship of the Tariff Board is a senior appointment of the most demanding sort, Mr. Audette will resign from these other posts.

Mr. Gerry is a chartered accountant of 21 years' experience, a partner in **E. Thompson and Co.,** Prince Albert. He is president of the Prince Albert Chamber of Commerce, a former president of the Institute of Chartered Accountants and a fellow of the institute.

The new appointments will mean that the Tariff Board will soon start to function again at something approaching a normal pace and that its operations will gain speed as the new members gain experience in tariff matters.

At present, it has only two members with extensive tariff experience:

Vice-chairman George H. Glass, formerly the Finance department's chief tariff expert, appointed in April (**FP**, April 18). Member G. Alex Elliott, a former University of Toronto professor who is one of Canada's leading authorities on the tariff.

Mr. Elliott's appointment was the last to be made to the board under a Liberal regime.

F. L. Corcoran, the new vice-chairman, is a former New Brunswick crown attorney. He now has had a year's experience in dealing with the complexities of the tariff.

The relatively slow pace of the board's recent operations—it has been operating with three members since the end of April—has caused some delays in possible tariff revisions urgently desired by Canadian industry.

Early this year, the board had planned to complete the textile hearings by late spring.

Textile reports and recommendations were to have been ready for negotiation this summer and fall under the General Agreement on Tariffs and Trade and the resultant tariff changes could have been included in the 1960 budget.

As it is, the following groups of tariff changes are expected to be included in the 1960 budget:

- **Cotton goods, synthetic fibres and fabrics and knit goods.**
- **Narrow fabrics (possibly).**
- **Automatic record changer** (**FP** May 9).

These changes will be delayed until the 1961 budget:

Embroideries and lace, wool manufactures, hard fibres, coated and impregnated fibres, batting and wadding, hats and caps.

At present, the board is working on the knit goods and record changers reports. Between Sept. 9 and mid-November it will hear some 15 of the 80 outstanding tariff appeals and it will follow this schedule in cleaning up the textile hearings:

- **Sept. 21,** narrow fabrics, embroideries and laces.
- **Oct. 13,** wool manufactures.
- **Nov. 16,** hard fibres.
- **Dec. 7,** coated and impregnated fibres, batting and wadding.
- **Jan. 18,** hats and caps.

"EXPORT"
PLAIN OR FILTER TIP
CIGARETTES

ANNOUNCEMENT

WILLIAM GOODWIN

William Goodwin has been elected to the Board of Directors of Walter Kidde & Company of Canada Ltd., it was announced by I. J. Hammill, Kidde president.

Mr. Goodwin has been with Kidde for eighteen years and serves as Plant Manager. He is well known in the shipping, industrial and aircraft industries, and is a member of the Canadian Aeronautical Institute and the Grunt Club.

We regret to announce the retirement of

A. L. ANDERSON

as Chairman of the Board and Director of this Company

ANDERSON & COMPANY LIMITED
TORONTO

Life Sales 19% Higher

New life insurance purchased by Canadians during June amounted to $555 million, 18.9% more than that bought in the same month last year.

June sales of ordinary life insurance reached a record high of $408 million, and compared with sales of $387.9 million a year earlier.

New group sales rose from $69.8 million in June, 1958, to $139.5 million this June.

Industrial life sales, however, were lower, falling from $9 million to $7.5 million in the year's comparison.

Here is the record by provinces of sales of ordinary life insurance as compiled by the Canadian Life Insurance Officers Association:

	1959	1958
	$000	
Alberta	30,000	27,600
British Columbia	39,900	35,600
Manitoba	18,300	19,300
New Brunswick	8,100	7,200
Newfoundland	2,200	2,100
Nova Scotia	11,600	12,400
Ontario	164,200	161,900
Prince Edward Island	800	600
Quebec	121,400	110,300
Saskatchewan	11,500	10,900
	408,000	387,900

Here are the sales figures by months:

	1959	1958
	$000	
January	307,000	311,900
February	356,300	341,800
March	377,300	372,000
April	378,400	378,800
May	371,600	372,900
June	408,000	387,900
July	......	374,300
August	......	314,000
September	......	392,400
October	......	380,400
November	......	406,100
December	......	380,800

CANADA MALTING CO. has issued 125 common shares under company's stock purchase plan, raising number outstanding to 213,103.

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M-F May Borrow in U.K. For Standard Purchase

More than two years of give-and-take negotiations will be climaxed Aug. 28, when U.K. shareholders of **Standard Motor Co.** meet to vote on a proposal to sell Standard's tractor business to **Massey-Ferguson Ltd.**

The Toronto-based farm equipment maker first offered to buy the entire Standard organization, including car as well as tractor plants (**FP**, July 20, 1957). The bid was dropped after strong criticism of it in the U.K. financial press.

Early this year, a new approach was made to Standard, which has been making tractors under contract for M-F for the U.K. and export markets (**FP**, Jan. 24).

In April, M-F estimated that its net expenditure would be $30 million to acquire Standard's tractor business. The offer which managements of both companies have approved, and which now awaits ratification by Standard shareholders, provides for a greater payment by M-F:

- $32 million cash.
- $8.3 million in Standard ordinary stock (7,757,938 shares) held by M-F; this represents 24.73% of outstanding Standard stock.
- $7.5 million for Standard's inventory of factory materials, work-in-progress, finished goods and tractor spare parts.

Total price: $47.8 million in cash and securities, for Standard's tractor assets, interests and inventories.

Not included in the purchase price are Standard's engine facilities. Diesel engines for M-F's U.K.-made tractors will be supplied increasingly by **F. Perkins Ltd.,** Peterborough, Eng., which M-F acquired last winter (**FP**, Jan. 31).

Standard will continue to make carburetor engines for M-F for a further period, and will also initially supply a small quantity of diesel engines.

As part of the transaction, M-F also acquires Standard's 50% interest in **Société Standard-Hotchkiss,** which operates two factories in France producing 25,000 tractors annually. The other 50% of the French company's stock was already owned by M-F, at a book value of $1,855,333.

A U.K. subsidiary, **Massey-Ferguson Holdings Ltd.,** will buy the Standard assets. It is expected that M-F will undertake debt financing through a U.K. subsidiary later this year.

If Standard shareholders approve the sale, it will be effective Aug. 31. During an eight-month "period of disengagement", Standard has agreed not to sell any farm tractors.

Ownership of **Standard Tractor Co. (1959)** will remain with Standard Motor Co. as a corporate shell, which could presumably be a vehicle for Standard's eventual re-entry into the tractor industry.

Production rate at Standard's Banner Lane factory in Coventry is 410 tractors daily. The plant is described as the most modern and fully automated factory of its kind in Europe or North America.

If the sale of the tractor assets to M-F is completed, a long-term contract between the Toronto and Coventry companies will be canceled.

The contract, signed Nov. 24, 1953, gave Standard first right until Jan. 1, 1966, to manufacture under license all of M-F's requirements of Ferguson tractors for the Eastern Hemisphere, excluding Australia.

Standard's Chairman Lord Tedder has said that a small cash distribution will be made to Standard shareholders if the sale to M-F is consummated.

Standard is expected to increase its production of cars and trucks to 175,000 by the end of 1960. It recently broke off negotiations—for the second time in five years — with **Rover Co.** on a proposed merger.

N.S. Sea Studies To Aid in Defence

From Our Own Correspondent

HALIFAX — Studies of oceanography and submarine geology will be undertaken from a new federal research establishment on Bedford Basin.

The aim is to obtain information for continental defence and development of natural resources.

Imperial to Build Plant at Amherst

From Our Own Correspondent

AMHERST, N.S. — Industrial development in Cumberland and Westmoreland counties prompted **Imperial Oil Ltd.** to start construction of a new bulk storage plant here.

Cost: $100,000 plus.

Under construction: An office building and warehouse. A siding will run from the **CNR** main line.

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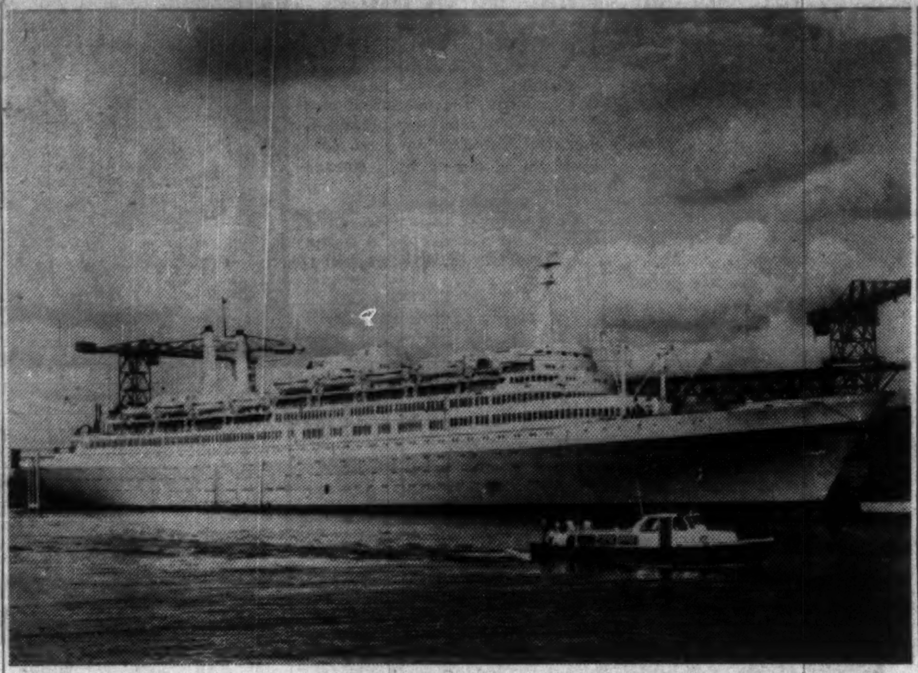


SLEEK NEW LINER to enter world cruise service is Holland-America Line's 38,000-ton Rotterdam. The streamlined, stackless ship sails on her maiden voyage Sept. 3 from Rotterdam to New York.

Your Cruise Guide

By BEATRICE RIDDELL

If you're thinking of a fall or winter cruise, now is the time to start planning.

The coming seasons offer record selection, with cruises to suit every taste, budget and time limitation. Your travel agent will help you choose the best one for you.

There are more cruises to the Caribbean (including northern South America), Bermuda, Nassau than any other area—Official Steamship and Airways Guide, published in New York lists approximately 175 between Sept. 1 and April 21.

But in coming months, sleek cruise ships will circle the globe, tour the Mediterranean (some with side trips to the Bosphorous), visit every continent.

Shore excursions will feature off-beat travel areas such as the heart of Africa, South American jungles, Russia as well as the Rivierras of the world.

As a cruise passenger you are served the "cream" of ocean fare. Some of the finest ships afloat do "cruise duty" during the winter—"off season" for regular transAtlantic travel. Others are reserved exclusively for cruising.

In the past two years, at least six new ships have entered cruise service. Next winter, another newcomer — **Holland-America's** Rotterdam — will make two extensive cruises.

New tours are being announced daily. Some steamship companies have not yet finalized all their cruise shedules or rates. But here is an up-to-date forecast of cruise fare for the coming fall and winter seasons:

Around-the-World

American President Lines — (cargo-passenger ships President Polk, President Monroe). From New York Sept. 11, Nov. 6, Jan. 1. Approximately 100 days. From $3,090.

Cunard (Caronia)—From New York Feb. 5 via Caribbean, Brazil, Africa, Asia, Orient, Panama Canal. Ninety-five days, 18 ports. From $2,875.

Nederland Line (Johan van Oldenbarnevelt)—From Port Everglades, Fla. Sept. 17; Dec. 11; March 18; June 17. Approximately 77 days, 14 ports. From $756.

Norwegian America (Bergensfjord) — From New York Jan. 15 via Panama Canal, Australasia, Africa. Eighty-seven days, 24 ports. From $2,450.

Swedish American (Kungsholm) — From New York Jan. 21 via Mediterranean, Suez Canal, Asia, Orient, Panama Canal. Eighty-eight days, 20 ports. From $2,800.

Caribbean, Bermuda, Nassau

Canadian Pacific (Empress of England, Empress of Britain). From New York Jan. 11, 18, 27 and 30; Feb. 13, 17, 29; March 9. Ten to 19 days, three to nine ports. Minimum fares: $250 to $475.

Clipper Line (Stella Polaris). From New Orleans Dec. 21; Jan. 7 and 23; Feb. 17; March 14; April 4 and 21; May 6. Fourteen to 25 days, five to 12 ports. Minimum fares: $295 to $725.

Cunard (Mauretania, Caronia)—From New York Dec. 22; Jan. 19; Feb. 5 and 25; March 1; April 4 and 19. Twelve to 18 days; five to 11 ports. Minimum fares: $300 to $525.

Eastern Shipping (Evangeline) — From Washington, D.C. Sept. 19 and 26; Oct. 3 and 10. Seven days to Bermuda or Nassau. From $130. Also Oct. 17, 12 days to West Indies, four ports. From $225.

Furness Line (Queen of Bermuda, Ocean Monarch)—From New York, series of five-to-six day cruises to Bermuda. From $139 or $153. Also, eight or nine days to Bermuda and Nassau. From $200.

Grace Line (five ships including Santa Rosa and Santa Paula)—From New York, one or two cruises every Friday. 12 to 18 days, six to nine ports (special holiday itineraries for Christmas and New Year). Minimum fares: $465 to $545 to Dec. 4. Winter rates to be announced.

Greek Line (Olympia) — From New York Jan. 21. Eleven days, four ports. From $245.

Hamburg-Atlantic (Hanseatic)—From New York Feb. 8 and 25; March 12 and 29. Thirteen to 15 days, four to six ports. Fares to be announced.

Holland-America (Nieuw Amsterdam, Statendam) — From New York Oct. 1, 2 and 23; Nov. 27; Dec. 4. Six to 15 days; one to five ports. Minimum fares: $170 to $350. Also from Norfolk Va., Nov. 28. Thirteen days, five ports. From $330.

Home Lines (Homeric) — From New York Dec. 19; Jan. 6 and 22; Feb. 8 and 29; March 18, April 4. Fourteen to 19 days; five to nine ports. Rates to be announced.

Incres Nassau (Nassau)—From New York Sept. 2. Fifteen days, five ports. From $325. Also series of seven-day cruises to Nassau. From $170.

Norwegian America (Bergensfjord, Oslofjord)—From New York Oct. 2; Nov. 20; Dec. 22; Jan. 8; March 25; April 8. Ten to 24 days, three to 15 ports. Minimum fares: $225 to $550.

Panama Line (Cristobal, Ancon)—Frequent sailings from New York. Thirteen to 15 days to Port-au-Prince and Cristobal. Minimum fares: $315 to $360.

Swedish American (Kungsholm, Stockholm, Gripsholm)—from New York Oct. 1, 14 and 22; Nov. 4, 6, 17, 19 and 24; Dec. 19; Jan. 6. Five to 19 days, one to nine ports. Minimum fares: $125 to $550.

Freighter to Caribbean

Alcoa Steamship — Weekly from New Orleans. Approximately 16 days, seven or eight ports. From $495 to Dec. 12. Winter rates to be announced.

Saguenay Shipping—Frequent sailings from Montreal and Halifax. Twenty-five to 35 days, three to 10 ports. Minimum fares: $330 to $500.

South America

Argentine State (Rio de la Plata, Rio Jachal, Rio Tunuyan) — Frequent sailings from New York. Forty-three days, eight ports. From $1,080.

Delta Line (Del Sud, Del Mar, Del Norte)—From New Orleans series of 41-day cruises. Nine ports. From $900. ($810 in thrift season).

Holland-America (new Rotterdam)—From New York Dec. 11 around South America. Forty-nine days, 16 ports. From $1,395.

Moore McCormack (Argentina, Brasil) — From New York Sept. 18; Oct. 2 and 23; Nov. 6. Thirty-one days, nine ports. From $1,110.

Mediterranean

American Export (Independence, Constitution)—From New York ten cruises between Sept. 4 and Dec. 18 to western Mediterranean. Twenty to 23 days, seven to 11 ports. Minimum fares: $555 to $595.

Bergen Line (Meteor)—From Harwich, Eng. Sept. 8 to eastern Mediterranean terminating at Venice. Twenty days, six ports. From $345.

Clipper Line (Stella Polaris)—From Southampton Sept. 5 west and east Mediterranean Bosphorous. Thirty-one days, 13 ports. From $550.

Cunard (Caronia)—From New York Oct. 3 west and east Mediterranean including Russian ports. Fifty-two days, 19 ports. From $1,000 including westbound Atlantic fare at later date. Also (Britannic) from New York Jan. 22, west and east Mediterranean. Sixty-six days, 24 ports. From $1,275 including west bound fare.

Greek Line (Olympia) — From New York Feb. 2, west and east Mediterranean. Fifty-two days, 18 ports. From $995.

Holland-America (Maasdam) — From New York Oct. 22, western Mediterranean. Forty-seven days, 17 ports. From $795.

Norwegian America (Oslofjord)—From New York Feb. 3, west and east Mediterranean, Bosphorous. Forty-nine days, 21 ports. From $1,125.

P. & O. Steam Navigation (Chusan)—From Southampton Sept. 5, western Mediterranean. Fourteen days, four ports. From $163.

Swedish American (Stockholm) from New York Sept. 25, east to Greece. Thirty-six days, 15 ports. From $875. Also (Gipsholm)—From New York March 8 west and east Mediterranean. Fifty days, 27 ports. From $1,565.

South Atlantic and Africa

Farell Lines—Cruise-like voyages approximately once a month. New York to South Africa. Sixty-three days including 29-day inland tour of South Africa. Prices vary.

Holland-America (new Rotterdam)—From New York Feb. 1, east coast of South America, east coast of Africa, Suez Canal, Mediterranean. Seventy-five days, 17 ports. From $2,400.

Swedish American (Gripsholm)—From New York Jan. 27. Thirty-eight days, nine ports. From $1,125.

Pacific

Matson Lines (Mariposa, Monterey)—From San Francisco Sept. 20; Oct. 11; Nov. 8 to South Pacific and Australasia. Forty-two to 45 days, eight or nine ports. From $1,035. Also (Lurline) From San Francisco Dec. 22 for Mexico. Fourteen days. Inland tours. From $355.

Orient & Pacific (Orsova)—From Vancouver Sept. 12 to South Pacific and Australasia. Forty-seven days, 12 ports. From $884.

Secretaries Meet, Hear Bright Ideas

Secretaries from 10 Toronto corporations gathered for two days last week at the Royal York Hotel for an intensive refresher course — plus some helpful new ideas — in secretarial practice.

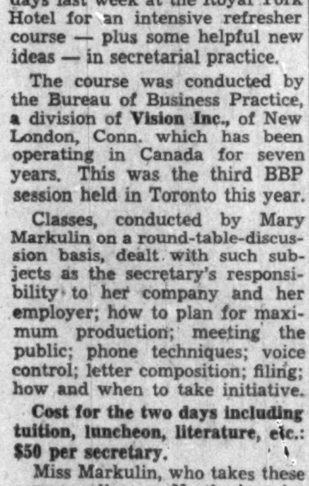
The course was conducted by the Bureau of Business Practice, a division of **Vision Inc.**, of New London, Conn. which has been operating in Canada for seven years. This was the third BBP session held in Toronto this year.

Classes, conducted by Mary Markulin on a round-table-discussion basis, dealt with such subjects as the secretary's responsibility to her company and her employer; how to plan for maximum production; meeting the public; phone techniques; voice control; letter composition; filing; how and when to take initiative.

Cost for the two days including tuition, luncheon, literature, etc.: $50 per secretary.

Miss Markulin, who takes these courses all over North America recently completed two-day sessions in Ottawa and Montreal. Later she will visit Winnipeg, Vancouver, Quebec City and Halifax.

ANNOUNCEMENT



F. N. YOUNGMAN

Election of Frank N. Youngman, of Vancouver, to the board of directors of Transamerica Corporation is announced. Mr. Youngman is chairman of the board and chairman of the executive committee of Crown Zellerbach Canada Limited. He is also a director of Burrard Dry Dock Company Limited, and a member of the Vancouver advisory board of the National Trust Company Limited. Mr. Youngman's election to the Transamerica Corporation board was announced in San Francisco by F. N. Belgrano, Jr., Transamerica's president and board chairman.

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SAXONIA	AUGUST 14TH	HAVRE, SOUTHAMPTON
CARINTHIA	AUGUST 21ST	GREENOCK, LIVERPOOL
*IVERNIA	AUGUST 28TH	HAVRE, SOUTHAMPTON
*SYLVANIA	SEPTEMBER 4TH	GREENOCK, LIVERPOOL
*SAXONIA	SEPTEMBER 4TH	HAVRE, SOUTHAMPTON

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Buck Worth Plenty Pesetas, Spain Offers Big Bargains

You may find it even cheaper to travel in sunny Spain — already one of Europe's best bargain lands.

The reason:

Recent devaluation of the Spanish peseta to 60 for $1 U. S. compared with previous official rate of 42 for $1 U. S.

This makes the Canadian dollar worth 62.40 pesetas, compared with the pre-devaluation rate of about 43.

And for Canadians there is specially good news, for Spanish hotels will now accept Canadian travelers cheques at the Canadian rate rather than at par with the U. S. dollar as was formerly general practice.

Whether or not it is actually cheaper for the tourist depends on whether hotel rates and other tourist necessities rise in price.

But a spokesman for the Spanish National Tourist office in Toronto told FP that this is unlikely in the near future.

"A 10% increase in hotel rates earlier this year will probably hold for some time," he said.

International hotel representatives, with offices in Toronto, said there has been no notification of increased rates for their Spanish hotels.

At the new rate of exchange a single room at top Madrid hotels costs the Canadian traveler from $1.92 to $2.72 per day compared with the pre-devaluation daily tariff of $2.79 to $3.95.

Before devaluation, many tourists bought Spanish currency on the free market for about 50 to 58 pesetas to $1 U. S. But Spanish officials hope that the free market will no longer compete so fiercely with the official rate, and that tourists will now buy Spanish currency in Spain.

—Travel Tips—

FRANCE'S "HEAVY FRANC" (worth 100 times the present franc) is gradually making its appearance in France although it does not become official until Jan. 1, 1960. But this should cause no confusion for the traveler. Prices in shops, restaurants, hotels are being quoted in both currencies.

And for the next few months, present banknotes will be kept in circulation but will be overprinted with the new value. Example: a 1,000 franc note will be overprinted as 100 fr., 500 fr. as 50 fr., etc.

Most Canadian banks are keeping to the old exchange rate for the present, but Canadians changing currency in France will probably be quoted the new rate —5.08 fr. to $1 Can., compared with the "old" rate of 508 fr.

New notes will be issued in 5 fr., 10 fr., 50 fr. and 100 fr. denominations with coins (centimes) replacing smaller values.

• • •

HELICOPTER service from Naples to Italy's two resort islands of Capri and Ischia is offered by **Elivie Helicopter Services.** Frequent daily service will operate to Sept. 30. Fares for the 20-min. flight are $4 one way, $8 roundtrip, with a special excursion fare of $6.40 for passengers completing the roundtrip in one day.

• • •

REFLECTING heavy TransAtlantic travel, **Alitalia** (Italian airline) reports June eastbound traffic at 3,904 passengers, double the same month last year. In the first six months of 1959 Alitalia carried 11,156 passengers—an increase of 130% over the same period last year.

• • •

GRAVETYE MANOR, lovely Elizabethan manor house near East Grinstead, Sussex, Eng. has been converted into a year-round hotel and country club. Set in 30 acres of forest preserve, it features English country house atmosphere, magnificent gardens, excellent cuisine. Daily rates: $4.50 to $5.25 per person for room and breakfast.

The Plan also eliminates need for car rental cash advances

Suppose you have just 7 travelling men and your monthly invoicing costs are $70. Through the Avis Corporate Travel Plan you would save $60 a month because there's just *one* monthly invoice broken down by individual, branch location, department or any way you specify.

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Look into the Plan. You will recognize it as the first *realistically* effective way of reducing your company's business car accounting and costs. Your local Avis station has the *full* story.

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THIS DIVIDEND IS 22% GREATER THAN THE CORRESPONDING QUARTERLY DIVIDEND A YEAR AGO.
CASH DIVIDENDS EXCEED $33,000,000 SINCE ORGANIZATION
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in the Associations' Five-Year Course of Study leading to qualification for the designation C.G.A. should be made by August 31, 1959 to the following Provincial Registrars:

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Tourist Industry Scoring Big Year

Royal visit, Alaskan statehood, Quebec history help boom tourist business coast-to-coast . . .

At mid-season, Canada's tourist industry is riding high.

Here in brief is the to-date Canadian travel picture by area:

- **British Columbia:** While inquiries and visitor counts are lower than the centennial year of 1958, they are running about 3% ahead of 1957. Last year the province went all out for tourists with special celebrations and exceptionally high expenditures on advertising and promotion.

But with a record number of Canadians traveling west this year, and Americans flocking to Alaska (many of them via B.C.), tourist officials predict that 1959 will be better than any previous "normal" year.

Poor weather in June discouraged early-season campers. But camping is expected to be heavy for the rest of the summer.

The second offering of the Vancouver International Festival of the Arts is proving to be one of Canada's major tourist attractions.

- **Alberta:** The Rocky Mountain province is having a phenomenal season.

By the end of June, five national parks (Banff, Jasper, Kootenay, Waterton, Yoho) had 13% more visitors than in the first six months of 1958. U. S. visitors to the parks were up 3.4%, but this is expected to be much higher in July and August since hordes of Americans heading for Alaska are stopping off in Alberta.

So far there have been 30% more campers than last year, which may account for the slight drop in per capita U. S. spending reported by retailers.

Inquiries are up 20%, while expenditures for advertising and promotion were increased 8.2% for 1959.

- **Prairie Provinces:** Manitoba and Saskatchewan have had an excellent season to date, with more U. S. and Canadian visitors than last year.

Campsites are setting new attendance records. And specially popular this year are the northern lakes where "fish are biting particularly well," according to tourist operators. New roads are making these lakes more accessible.

An increase of 17.5% in Manitoba's advertising budget has contributed to an increase of 15% in visitors' inquiries.

Visitors' spending is reported to be close to last year in Manitoba, slightly lower than 1958 in Saskatchewan.

- **Ontario:** Northern resorts which suffered from cold weather early in the season, are now filled almost to capacity. Bookings are heavy for the rest of the season. One Muskoka resort operator estimates the visitor-count in his area is 10% to 15% higher than this time last year.

"U. S. business is good", he said, "and this year we received more direct inquiries from south of the border."

More U. S. visitors have registered at the Metropolitan Toronto Convention and Visitor Association's two centres. And more U. S. motorists have stopped at the Ontario government's 14 reception centres located at strategic points throughout the province.

Inquiries in the first six months were up 14,000 from the same period last year, partly due to a 16.5% increase in advertising.

The Seaway is one of Ontario's biggest tourist attractions this year. New parks in the St. Lawrence Valley and Ontario Hydro's reception centre near Cornwall are luring record numbers of visitors. At Welland, sightseers are causing major traffic jams.

"And three out of four of the cars are American," said one observer.

- **Quebec:** Officials estimate tourist traffic (U. S. and Canadian) to date about 3% ahead of last year.

Camping is about 20% heavier than last year and more non-resident Canadians have visited the province this year.

Resorts in the Laurentian Mountains, north of Montreal will have a banner year. After an excellent winter season, they are having the best summer on record.

The Seaway has drawn a large number of tourists, and the Royal Visit is said to have brought Montreal an estimated 100,000 extra tourists, plus $2 million or more in visitor spending during Royal Week (FP July 4).

The province is also getting some overflow of U. S. visitors to the Champlain Valley Festival of Northern New York and Vermont. And Quebec City (celebrating the 300th anniversary of the arrival of Bishop Laval and the 200th anniversary of the Battle of the Plains of Abraham) is doing brisk business.

Tourists throughout the province are said to be spending slightly more than last year.

- **Atlantic Provinces:** After a slow start due to poor weather, visitor counts are now up from last year. Hot weather in July has brought U. S. vacationers north and there have been many more Canadians from other provinces than at the same time last year. TCA reports Maritime traffic heavy this year.

Nova Scotia alone expects more than 500,000 visitors this year.

Spending by U. S. and Canadian visitors seems to be about the same as last year.

Newfoundland's excellent season to date is attributed to improved highways and increased auto ferry service (the new William Carson) from the mainland.

Inquiries for all four provinces are running up to one third higher than last year, largely due to increased provincial advertising budgets and the federal government's $300,000 advertising campaign on behalf of the Atlantic Provinces.

Death of Oregon's Governor May Delay Columbia Plan

OTTAWA (Staff)—The death July 22 of Governor Douglas McKay of Oregon may put a crimp in Canada's hopes for an early settlement of the long-drawn-out dispute with the U.S. over the use of Columbia River water.

Governor McKay was the chairman of the U.S. section of the International Joint Commission. The IJC has been holding meetings since April on plans put forward in a long-awaited report of the International Columbia River Engineering Board (FP, March 28).

For the first time, there were indications that the U.S. was willing to agree to some of the Canadian terms for dividing the power which could be generated downstream from a diversion of Canada's upstream storage.

There are two basic Canadian conditions:

- No permanent alienation of Canadian rights to Columbia river waters.
- Possibly a 50-50 split of downstream benefits.

The engineering report provided the IJC, for the first time, with an agreed basis of facts for negotiation. It suggested three alternative ways in which the Columbia could be developed, and gave costs, and power output of each.

With these facts as a basis for discusion, the IJC was able to get down to cases; and it is believed here that under Gov. McKay's chairmanship, the U.S. section was ready to accept the minimum Canadian conditions as part of the "ground rules" for negotiation.

Before Gov. McKay's death, a full meeting of the IJC was scheduled for Sept. 3 at Portland, Ore. There were hopes here that this meeting might have ended in complete agreement.

Whether the new U.S. chairman will hold views similar to those of Gov. McKay is a matter for speculation here. Appointment to this post is a presidential prerogative.

The Portland meeting has been canceled. It is hoped here that other meetings will be scheduled, either in Ottawa or Washington, as soon as the new U.S. chairman is appointed.

If the new appointee holds the same views as Gov. McKay, then the vexing Columbia question might be settled this fall.

DETROIT INTERNATIONAL BRIDGE CO., Detroit, Mich., consolidated net profit of $372,310 for six months ended June 30, 1959, was 4.6% higher than first-half 1958 net of $355,880. Operating revenue increased by 7.9% to $1,087,352 from $1,007,351 in January-June last year.

Profit, Not Power is Aim Of U.S. Capital in Canada

From Our Own Correspondent

VANCOUVER—A senior U.S. embassy official pooh-poohs the idea that U.S. capital weakens Canadian sovereignty.

Willis Armstrong, counselor for economic affairs in the U.S. embassy at Ottawa, told a five-day University of British Columbia seminar on Canadian-U.S. relations:

"The idea that substantial U.S. private ownership of Canadian means of production renders the Canadian government or Canadian people any less independent or less vigorous in defence of their sovereignty and national identity is simply foolish."

To most people in the U.S. government, the subsidiary in Canada of a U.S. firm "is a Canadian company and is treated as such," he said.

"The contact of such firms with the embassy, or of their parents with Washington, is extremely limited and is often confined to obtaining advice on how to please Canadians."

U.S. capital comes to Canada because it has an opportunity to make a profit, he said.

"It asks for no political privileges and it is prepared to be a good citizen in the Canadian community."

Canadian Bridge Wins Contract For N.B. Bridge

Special Correspondence

CAMPBELLTON, N.B. — **Canadian Bridge Co.** has been awarded a $2,956,225 contract for construction of superstructure of the Campbellton-Cross Point bridge, spanning an arm of Bay of Chaleur.

Most of the large structural steel will come from company's inventories of U.S. steel. Remainder will be fabricated in the Sydney plant of the parent company, **Dominion Steel & Coal Corp.**

Work is proceeding on construction of the 10 piers and two abutments of the substructure. Contract for this part of the work was awarded to **Belle Construction Ltee.,** Isle Maligne, Que., at $1,261,592.

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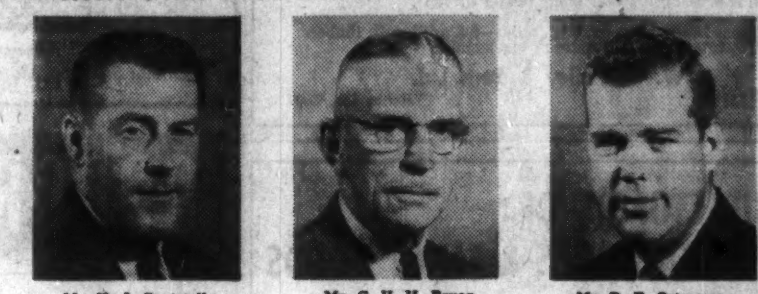
(Advertisement)

NEWMAN, HENDER & CO. LTD. ANNOUNCE AGREEMENT WITH McEVOY COMPANY OF HOUSTON, TEXAS



Mr. N. J. Cantwell, Sales Manager for McEvoy Products — Mr. C. V. H. Bryan, Vice-President and General Manager of Newman, Hender (Canada) Ltd. — Mr. D. E. Ostrosser, Sales Manager Western Division for Newman, Hender Products

Mr. C. V. H. Bryan, Vice-President of **Newman, Hender (Canada) Limited,** on behalf of their parent company, Newman, Hender & Co. Ltd. of Gloucester, England, manufacturers under license of McEvoy valves in England for the past ten years, announces that agreement has been reached with their associates, **McEvoy Company of Houston, Texas,** whereby Newman, Hender (Canada) Limited will take over the complete operation and interests of McEvoy Canada Limited as from July 1, 1959.

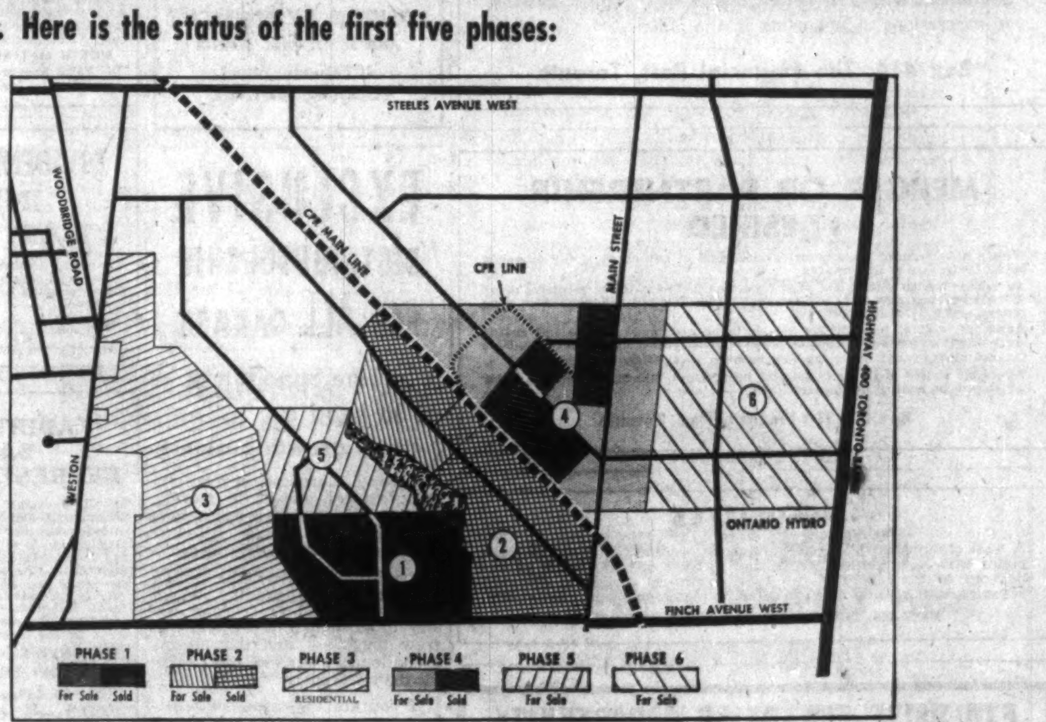
The arrangement will enable Newman, Hender (Canada) Ltd. to supply McEvoy Wellhead and Xmas Tree Assemblies, Flowline and Pipeline Valves either from England or Houston.

No change will be made in personnel. The McEvoy division will be managed in the same manner as before by Mr. N. J. Cantwell, while Mr. D. E. Ostrosser will serve in the same capacity for Newman, Hender products in Western Canada.

It is believed this merger will enable Newman, Hender (Canada) Limited to offer a more complete range of products and to give better coverage to their customers over a wide area.

Progress Report No. 2:
SIGNET DEVELOPMENTS
PROJECT 400

Sales of industrial land are averaging more than an acre a day. The sub sanitary trunk sewer to service project, and the sanitary sewers in Phase 1, are now completed. Here is the status of the first five phases:



PHASE 1

This phase, comprising 70 acres of industrial land, is completely sold. Services are under construction and building construction is expected to start immediately.

PHASE 2

This phase, comprising 105 acres of industrial land, is now officially draft approved. Some 60 acres have been sold, subject to registration which is expected by Aug. 15, and construction of services is scheduled to begin on Aug. 1. Choice parcels of from two to 10 acres are still available with M2S zoning.

PHASE 3

This phase, comprising 153 acres of residential land, has already received official draft approval. It is planned that construction will begin for the coming Fall building season.

PHASE 4

This phase, for which official draft approval has been received, comprises 140 acres of industrial land. Some 32 acres have already been sold, subject to registration which is expected by Aug. 15. Construction of services is scheduled to begin on Sept. 1. Choice M3 sites with rail sidings are still available in three to 20-acre parcels.

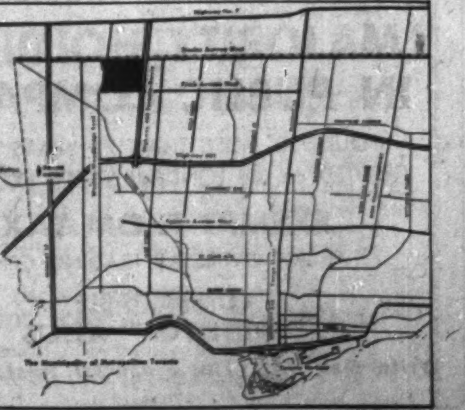
PHASE 5

An additional 60 acres are now being surveyed, and choice parcels of one to five acres with M2 and M2S zoning will be available before Aug. 1.

IN ADDITION TO ALL OF THE ABOVE, LARGER PARCELS OF FROM 15 TO 100 ACRES WITH HIGHWAY FRONTAGE CAN BE ARRANGED

Act now, and take advantage of these outstanding features:
- Your choice of location within this Metropolitan Toronto development at maximum cost of $7,500 to $9,500 per acre.
- All land fully serviced.
- Conveniently close to Malton Airport and Highway 401.
- CPR main line on property, available for internal spurs.

Also available to land purchasers is a complete construction service which assumes full responsibility for planning and constructing a building to your exact needs. This service includes assistance in arranging financing for purchase and leaseback of the building if desired.



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I have an idea and a workable plan for a high profit, small manufacturing plant making a standard product and selling in a one competitor field to the wholesale hardware trade. Detailed plans for manufacturing and marketing available for examination, have received favourable comment from two chartered banks. $40.000 required to finance. Details to be arranged.

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Town of Haliburton, Ontario

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2. Planing mill and equipment including Yates A-20 Planer, Mershon 54-C 54" band resaw.
3. 400 H.P. electric power plant (water driven).
4. One house.
5. Timber limits—approx. 6 sq. miles—6-8 million ft. timber.
6. TD14 International Bulldozer, log jammer.

W. O. Bailey & Sons Ltd.

Phone: 166W3 Haliburton, Ont.

MANUFACTURERS OF: HOUSEHOLD GOODS & FANCY GOODS

British firm with nation-wide organization wishes to get in touch with Canadian manufacturers of household and fancy goods with a view to representing them in the U.K. market, or acting as concessionaire importers.

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NEW BRUNSWICK MINING PROPERTIES of SEMI-PROVEN NATURE

REPLY IN CONFIDENCE TO:

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British firm with wide connection in the rapidly expanding Oil Burner market in the U.K. wishes to contact Canadian Manufacturers of Oil Burners and Oil Burner Equipment with a view to acting as their representatives or concessionaire importers in the U.K.

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Advertiser has an established plastic molding plant located in Montreal doing $200,000 business nationally in the above fields. This business has shown good returns and consistent profits.

Applicant with at least $50.000 net worth or cash must assume full charge since present owners are engaged in a similar but larger operation in the U. S.

Correct management can bring this business to $1,000,000 very quickly.

Principals should reply with detailed background information in first letter which will be held in strictest confidence.

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A well organized firm of consultants is presently in need of associates who have gained recognition in their specific fields of endeavour to work part or full time as project directors. Forward résumes with outline of specific accomplishments and availability.

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A thoroughly tested, proven and patented English product of a revolutionary nature, offers a limited number of exclusive franchises to qualified individuals or concerns interested in Canada's booming building industry.

This product and process of application has Canadian Underwriters approval and offers an unmatched combination of qualities including:

• Fireproofing • Thermal Insulation • Acoustical and Condensation Control • A wide range of Colours • Highly decorative as well as functional • Can be pneumatically applied to all types of masonry, steel and other building products, interior or exterior.

The product is widely used in the United Kingdom, and many other countries on structures, new and old, and is highly profitable. Capital required, $15,000 — $50,000 depending on territory.

Please direct enqpiries to:

SPRINGER, CHAPMAN & CO.

chartered accountants

137 Wellington Street West, Toronto, Ont.

FOR SALE BY TRUSTEES
MAJORITY HOLDING IN PUBLIC COMPANY

(FOUNDED MORE THAN 75 YEARS AGO, QUOTED on the LONDON STOCK EXCHANGE

EXEMPT FROM TAX

AS AN OVERSEAS TRADING CPN.)

CONSIDERABLE "WRITTEN OFF" ASSETS

Write Box 441, The Financial Post, Toronto

IDEAL DOWNTOWN OFFICE BUILDING
43,000 SQ. FT. FOR RENT

BAY AND RICHMOND DISTRICT

VERY MODERATE RENTAL

$3.50 PER SQ. FT. ANNUALLY

10,000 sq. ft. per floor on the three lower floors. One tenant preferred for entire building.

Excellent natural lighting and numerous modern outstanding favourable features.

For further particulars, contact our Mr. Lipton.

Exclusive Listing

M. H. LIPTON REAL ESTATE

Member Toronto Real Estate Board

12 Shuter St. (opp. Massey Hall), Toronto EM. 4-3131-2

OPPORTUNITIES

WANTED
INACTIVE OIL OR MINING COMPANY

We are interested in acquiring controlling interest of an inactive oil or mining company with net liquid assets of $20,000 to $100,000.

Reply giving full information—held in strictest confidence—prompt action assured.

Box 443, The Financial Post, Toronto

PLANNING ENGINEER

with fifteen years' experience undertaking a business trip to the Netherlands where he has many business connections. Would be available to act on behalf of any reputable Canadian Corporations contemplating establishing branches in the Netherlands or in Western Europe. Interested parties are requested to contact *Messrs. Nelligan & Carter, Barristers and Solicitors, 424 Wellington Street, London, Ontario.*

DISPLAY ADVERTISING RATES

$9.80 per col. inch per insertion (70 cents per agate line, 14 lines constitute one inch). Closing date — Copy must be in Toronto Office by Monday a.m. Display advertising in this section payable in advance.

EUROPEAN REPRESENTATION AVAILABLE

Canadian, living in Switzerland, seeks agencies for Europe of unusual and attractive articles, devices, machines, etc.

Box 294, The Financial Post, Toronto

MANUFACTURERS AGENT

wishes to extend line in London and south western Ontario.

LONDON PLACEMENT AND SECRETARIAL SERVICE

402 Dundas Street

LONDON, ONTARIO

GOLD PROPERTIES WANTED

We wish to acquire by purchase or option undeveloped and/or partly developed gold properties and gold bearing claim groups. To facilitate quick decision please give full information and include all available informative material and maps with first letter.

NORTH MATTAGAMI MINES LTD.

1610 Sherbrooke St. West,

Suite 56, Montreal

EXCLUSIVE DISTRIBUTORSHIP FOR ALL CANADA

. . . a rare opportunity to head a real growth business

We are an American hearing aid manufacturer, one of the world's largest. We're looking for one distributor to handle all our Canadian hearing aid business.

If selected, you will be selling a world-famous product which has a rapid and prosperous history of growth. But we want to grow bigger — and that means a challenge . . . and big profits for the right party.

If you are the responsible distributor we're looking for, please write to us, with necessary details, at Box 437, The Financial Post, Toronto.

DIVIDENDS FROM INDIA

Party with vast experience interested in promoting a *Trade Council of India* in Canada. By establishing in Toronto, permanent showrooms for raw, semi-processed and fully processed products — arts and crafts and tourism.

Looking for two working partners with some capital. Enquiries invited.

Box 422, The Financial Post, Toronto

ADDITIONAL SALES REPRESENTATIVES

in all Canadian Provinces. Mature, Resourceful, and Ambitious with Unquestionable Business and Personal Background to sell in rapidly expanding franchised King Koin coin operated Philco Bendix Equipped Launderette Stores. Needed in every community. Complete exclusive equipment. Completely automatic, financing, franchise, planning and locations.

Write: Donald J. Whalen
KOIN LAUNDRY SALES LTD.
20 College St.
Toronto, Ont.

Exclusive Philco Commercial Laundry Equipment Distributors for ALL of Canada

RETAIL SPACE AVAILABLE

In well established store, located in best business section of Halifax, N.S.

Will rent space for following departments:

Mens Wear, Cameras, Sporting Goods, Jewellery, Carpets, Ladies Wear, Record Bar, Electrical Appliances

Phone or write: PERCY COHN ENTERPRISES LTD.

REgent 3-3686, 4555 Michel Bibaud Ave., Montreal, P.Q.

MANUFACTURERS SALES OPPORTUNITY

Established mail order sales business with adequate capital wants new products of Canadian Manufacture for promotion. Now selling by mail items ranging from four dollars to three hundred and ninety dollars retail — any item considered provided it is of good quality. Write giving full details, prices and delivery to

Box 444, The Financial Post, Toronto.

MANUFACTURERS' AGENT
FOR ATLANTIC PROVINCES

Manufacturers' agent working the Maritime Provinces 3 times a year and Newfoundland twice yearly; requires an additional line to round out his assortment. This line must presently be doing a volume $30,000 and have a potential of at least $60,000. Could be in Toronto for interview latter part of August.

Box 435, The Financial Post, Toronto

FOR SALE IN EDMONTON
established
TRANSIT CONCRETE MIX BUSINESS

Doing a large volume of business.
First class buildings and equipment.
Write, Wire or Phone GArden 2-7141

TROTTER McINTYRE KELLOUGH

Ground Floor McLeod Building

EDMONTON, ALBERTA

NEW APARTMENTS
HEART OF HAMILTON
144 SUITES

SELLING PRICE	$1,022,500.00
1st MORTGAGE	$ 652,500.00
DOWN PAYMENT	$ 370,000.00
RENT SCHEDULE	$ 154,078.00

For further details it's:

E. CORVINO, REALTOR

128 Main Street West, Hamilton, Ont. JA. 8-8484

MANUFACTURING PLANT FOR SALE
NIAGARA FALLS, ONTARIO

Machine shop and foundry. Three separate buildings with total square foot area of 35,000. Formerly Dominion Safe and Vault Company Limited. 2½ acres of land with railway siding. Plant now vacant and available for immediate possession. For full particulars contact:

R. C. YOUNG REALTY LIMITED

687 Queen Street

NIAGARA FALLS, ONTARIO

Telephone ELgin 4-7461

EDMONTON OPPORTUNITIES

We have a complete and comprehensive list of excellent investment opportunities in Edmonton.

Contact us first for information on Apartment Building, Sites, Developments, etc.

WRITE . . . WIRE . . . PHONE

SINCE Weber Bros. AGENCIES LIMITED 1911

REALTORS

10013-101A Avenue, Edmonton, Alberta

Phone GArden 4-7341

LAND SALES
SUITABLE FOR MOTEL OR OTHER COMMERCIAL USE
PAVILION BARRACKS
Halifax, N.S.

SEALED tenders, suitably endorsed on the outside of the envelope as to content, will be received by the office of the City Manager, City Hall, Halifax, Nova Scotia, until 12:00 o'clock, NOON, ADST., Tuesday, August 11th, 1959, for the purpose of the property known as "PAVILION BARRACKS."

This property is approximately 195 feet by 465 feet, more or less, and located on Brunswick Street, Halifax, N.S. It is in the redevelopment area and is for commercial use.

Tenderers must state their intended use of this property when submitting bids. Further information concerning this sale and description of this land may be obtained at the office of the City Manager.

The City of Halifax reserves the right to reject any or all tenders or to accept any tender considered to be in its best interests.

ALLAN R. MORTON, M.D., ACTING CITY MANAGER

HONEY HARBOUR

Sacrifice for $8900 cash, 7 room lined cottage and cabin on 3 acres of land with over 350 feet of shoreline. Located in area of high class summer homes close to the big hotels and stores. 30 foot screened veranda right over the water. 3 wire service and up to date appliances. All furnishings complete with boat for less than the value of the land. Possession to suit.

BOX 445, THE FINANCIAL POST, TORONTO

CLASSIFIED ADVERTISEMENTS

CLASSIFIED ADVERTISING RATES

Flat rate, per word 30c
Minimum charge $5.00
Each initial, figure or fraction, abbreviation and sign counts as one word. If a box number is desired the words, Box 100, The Financial Post, Toronto, count as six words. When replies are mailed to advertiser, 15 cents extra is charged. Closing date—Copy must be in Toronto office by Monday a.m. Classified advertising is strictly cash in advance.

Positions Wanted

MASTER MARINER, age 38, presently employed. Eastern Canadian waters, intends to visit Britain for about one month's leave—November 1959, desires to work passage, single or return, as Deck Officer or other suitable capacity. Box 434, The Financial Post, Toronto.

For Sale

FOTOMATE RAPID PHOTOCOPIER, Varityper Model DSJF and A-20; Extra Fonts. Excellent condition. International Firearms, 1011 Bleury, Montreal, Que.

Business Opportunities

FUNDS FOR ELECTRONIC INVESTMENT

PRIVATE GROUP of Canadians have funds available for investment in small or medium sized companies in electronics or related fields. Control not expected. All inquiries treated confidentially. Box 425, The Financial Post, Toronto.

OUTSTANDING SPECIALTY-STORE OPPORTUNITY IN VANCOUVER

Ten modern stores facing Hudson's Bay Store, in the heart of downtown Vancouver. Opening November 1st. Modern air-conditioned premises with excellent customer parking and delivery facilities. Full details from Mr. Douglas.

BOULTBEE, SWEET & CO. LTD.

555 HOWE STREET • VANCOUVER

MU 1-7221

SAVE $30,000 ON THIS GORGEOUS

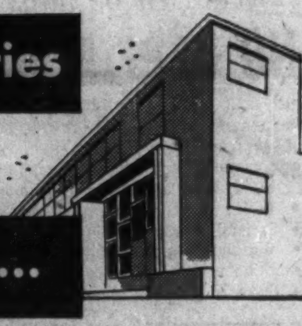
7 yr. old cut stone and-brick ISLINGTON home, at only $89,800.00. Owner-built and occupied, so suitable for gracious living and entertaining, this home boasts—

5 BEDROOMS (4 Twin Bed size—2 w/4 pc. bath ensuite) 3 ADDITIONAL WASHROOMS.

DEN . . LIVING ROOM . . DINING ROOM . . UTILITY ROOM, Oversize Kitchen and breakfast room, newly equipped, with complete YOUNGSTOWN kitchen units (Dishwasher, Garbage Disposall, 17 cu. ft. Refrig., Upright Freezer. 32' Rec. Rm., features built-in Giant TV, Record Player, Huge cut stone fireplace (Also cut stone fireplace in Den and Marble fireplace in living room). Located on 160' x 215' lot with hundreds of shrubs, write OWNER to inspect at

Box 420, The Financial Post, Toronto

new factories for rent...



AT AJAX—35 minutes from downtown Toronto

- On 4-lane superhighway 401
- Paved roads—ample parking
- Building occupies less than ⅓ of site—ample room for expansion
- Lower taxes—lower rentals
- High-pressure steam, etc.

Early occupation—2000 to 50,000 sq. ft. Flexible leasing arrangements provide for your future change of plans or requirements.

For complete details, phone or write:

SLOUGH ESTATES (CANADA) LTD.

Royal Bank Building, Toronto, EM. 3-9033

MOVING TO VANCOUVER??

Then you owe it to yourself to see Western Canada's finest subdivision, overlooking Famous British Properties and Capilano Golf Course, before you buy or build your new home.

Glenmore

of West Vancouver, offers . . . . .

- Cleared lots with minimum areas of 1/3 acre.
- New homes ready for sale.
- Mountain resort living, only 15 minutes from Hotel Vancouver.
- Breath taking view of Vancouver City, the Harbour and Mountains.
- Within walking distance of the recently formed Glenmore Country Club.
- A paid-up share in Country Club FREE, with each lot purchased.
- A Young Family District With Tremendous Community Spirit.

GLENMORE is straight north of Park Royal Shopping Area, above British Properties and Capilano Golf Course.

Exclusive Sales Agents:

CAMPBELL & HALIBURTON REALTY LTD.

109 Glenmore Drive, West Vancouver, B.C. Phone WAlnut 2-9185

REAL ESTATE directory

Quebec

WESTMOUNT REALTIES COMPANY
IN MONTREAL
Established 1910
A COMPLETE SERVICE IN COMMERCIAL AND INDUSTRIAL REAL ESTATE
1367 Greene Ave. • MONTREAL • WE. 5-8541

REAL ESTATE

A Dominion-wide market place for buyers and sellers of land, residences and commercial buildings

FOR LEASE IN MIMICO

10,500 SQ. FT.

One-storey Industrial Bldg., Modern offices, excellent parking & shipping facilities. Good Labor area, 1 block to Public Transportation.

Immediate Possession

WOOD, FLEMING & CO., LTD.
Real Estate Brokers
Royal Bank Building, Toronto EM 4-6161

CAREERS

This is Canada's national meeting place for executives who have positions to offer, and for those who have ability to offer

HELP WANTED

EXECUTIVE SALESMAN

LITHOGRAPHY

By expanding Lithographic House located in Toronto. Must have ability to produce volume sales on large sheets on four colour work; you will work with one of the best equipped plants on the continent for lithography, bronzing, die cutting, operating 24 hours a day.
Successful applicant must have good knowledge of production and costing procedures and have a good connection with buyers of lithography.
We prefer a man who has the ability to train and manage others and who is ambitious; this is a lifetime opportunity. Position involves taking over existing house accounts, opening new ones in Toronto and other Ontario cities and ultimately training and supervising salesmen for lithography and new products now being developed. Salary and commission depending on experience and connections. Give complete information regarding age, education, experience, family, hobbies, etc. with photograph which will be returned if requested.

Box 432, The Financial Post, Toronto

SENIOR INDUSTRIAL ACCOUNTANT

A large Canadian company with multi-plant operations requires a qualified accountant with industrial experience. The position offers an excellent opportunity to a candidate with the necessary ability and initiative to advance to senior management level. Applicants should be between 30 and 40 years of age with a university education, an accounting degree or equivalent and proven ability as an administrator. Salary will be commensurate with qualifications and experience.

Reply to: Box 431, The Financial Post, Toronto

CAREERS

This is Canada's national meeting place for executives who have positions to offer, and for those who have ability to offer

EMPLOYMENT WANTED

DISPLAY ADVERTISING RATES

$9.80 per col. inch per insertion (70 cents per agate line, 14 lines constitute one inch). Closing date — Copy must be in Toronto Office by Monday a.m. Display advertising in this section payable in advance.

MANUFACTURERS' AGENT

Seeks: To represent Major Line in Alberta.
Experience: Building supplies, hardware, floor coverings, aluminium extrusions.
Assets: 14 years' experience, best references, established accounts.
(Will be in East late September)
Box 413, The Financial Post, Toronto

ENGINEER

With broad background in construction project engineering, proposal engineering, and limited sales experience. Desires position offering increased managerial responsibility leading to ultimate Executive Appointment. Full resume on request. Salary range $10,000 to $12,000 per annum.
Box 428, The Financial Post, Toronto

CHIEF ACCOUNTANT
OFFICE MANAGER

Industrial accounting specialist. R.I.A. degree. Aggressive, competent. Fifteen years' experience. Immediately available, will relocate.
Box 426, The Financial Post, Toronto

SALES-ADMINISTRATOR

presently Business Executive, desires position Branch Manager or Coordinator of branch operations. Qualifications include: Credit Management, Sales promotion, import-export field, industrial relations. Reply to:
Box 421, The Financial Post, Toronto.

CAME to CANADA

to seek interesting, remunerative work, English Economics graduate, male, 29. Work anywhere. Experienced office manager/personnel. Most willing to change field.
Box 418, The Financial Post, Toronto

PROCUREMENT AND MATERIAL MANAGER

Mechanical — Electro-mechanical and Electronic Industries. Mature technical and economic background. Invaluable experience—Defence contracts. Full résumé on application to:
B. H. French, 468 Edison Ave., Ottawa, Ont. Telephone: PA 8-5912

SALES MANAGER AVAILABLE

Highly successful background in direct sales. Presently employed as Sales Supervisor. Accustomed to working on own initiative with salesmen and producing results. University graduate—Commerce and Finance, excellent war record, age 39, married with family. For complete personal résumé and impartial psychological report kindly contact

Box 417, The Financial Post, Toronto

PUBLIC RELATIONS MAN

Canadian, in 30's, ten years' experience all phases publicity and promotion, organizational and administrative ability, seeks executive position with sound future. Presently employed major international company. Good connections Canada and abroad. University graduate. Best references. Salary $8,500 up.
Box 440, The Financial Post, Toronto

CHARTERED ACCOUNTANT

Presently employed, desires responsible and challenging position. This might be in a small or medium-sized manufacturing company at executive or lower level where the prospects are inviting. Wide professional and industrial experience including six years in management.
Address enquiries to:
BOX 419, THE FINANCIAL POST, TORONTO

SENIOR ESTIMATOR *and* COST ACCOUNTANT

required immediately in Toronto by well established Construction Company. Position requires versatility and ability to accept responsibility. Apply

BOX 447
THE FINANCIAL POST, TORONTO

ONTARIO PLACEMENT CENTRE (OPC)
For Executives At All Levels
97 Eglinton E.
Suite 304
Toronto 12, HU. 1-6391

MERCHANDISE MANAGER

Well Established U. S. Stamp Company are expanding their Canadian Operation. We require a Top Flight Merchandiser accustomed to dealing with Nationally advertised manufacturers. This position offers an excellent future with the usual employee benefits. Salary open for discussion.

All replies will be held in strictest confidence.

Please write, giving details of previous employment and salary expected.

Box 427, The Financial Post, Toronto

Our staff have been notified of this ad.

CONTROLLER

$12,000 – $18,000

Here is an opportunity for an experienced financial man to take charge of the accounting function in a process industry with a gross income of $40,000,000 per year. The successful candidate will report directly to the president. Experience with modern accounting techniques, inventory control methods, machine tabulating and managerial control techniques is desired. Consulting experience would be helpful. A C.A., M.Com., M.B.A. or engineering training plus financial experience is preferred.

The company operates across Canada and employs approximately 2,000 people, 95 of them in the Accounting Department. Seasonal fluctuations in inventory are a major problem. An early assignment would be a review of company systems. Some travel would be involved. Location: Ontario.

Your enquiry will be answered. Please apply in writing only.

TECHNICAL SERVICE COUNCIL
2 HOMEWOOD AVENUE
TORONTO 5

Since 1927, the non-profit placement service for executives, engineers and scientists

CHEMICAL ENGINEER

SALARY RANGE $8000 - $9700

The University of Alberta invites applications for the position of Associate Professor of Chemical Engineering with duties to commence September 15, 1959. Salary will depend on qualifications and experience. A Ph.D. with an interest in research and well qualified in Unit Operations is desired.

Applications or inquiries should be addressed to:

The Head,
Department of Chemical and Petroleum Engineering,
UNIVERSITY OF ALBERTA
Edmonton, Alberta

Applications should give personal data, details of training and experience, the names of three references, and should be accompanied by a recent photograph.

SALES MANAGER

$9,000 – $12,000 SALARY

A man is sought to promote the sale of pig iron and steel ingots for a new Canadian steel mill which will have an excellent competitive advantage.

This man will have a metallurgical background, preferably with an engineering degree. He should have sales experience in ferrous products.

We, as management consultants, will not reveal the identity of any applicant without his permission. In replying, please give full details to

Box 429, The Financial Post, Toronto

PRODUCTION SUPERINTENDENT

Internationally affiliated Canadian organization manufacturing and assembling moulded plastics requires an experienced production man to take charge of plant operations. Must have mass-production assembly experience in, for example, the automobile, aircraft, electrical or related type of industry. This could be an engineer with good line experience or a competent general foreman who has outgrown his present job. Age 30-45 preferred. Knowledge of moulded plastic production preferred though not essential. This is an outstanding opportunity for an able and ambitious man to get in on the ground floor of a new enterprise, already proven in Canada in terms of product, market and growth potential.

Salary commensurate with qualifications and experience.

Reply in writing to:

W. WALLACE MUIR & ASSOCIATES
LIMITED
Management Consultants
63 SPARKS STREET OTTAWA

EXECUTIVE'S ASSISTANT

A progressive and expanding food processor, largest in its field in Canada, with head office in Southwestern Ontario, requires a university graduate (around 25 to 30) in arts, science, or commerce to assist a vice-president of the company.

Position offers unusual opportunity for quick advancement to management level, for access will be given to every department in the organization to promote complete grasp of company's operations.

Initial salary attractive and commensurate with experience and ability. Experience in food industry not necessary.

All replies will be held in confidence. Our employees have been informed of this vacancy.

Reply by sending concise resume of education, experience, salary requirements, and a recent photograph to:

BOX 423, THE FINANCIAL POST, TORONTO

CAREERS

This is Canada's national meeting place for executives who have positions to offer, and for those who have ability to offer

HELP WANTED

a.g. heighington associates
WA 4-8131

a.g.h. wants

resumes
from men with experience in senior sales & marketing
field:
corrugated paper products

Suite 407, Yorkville Towers
Toronto 5, Canada

CHEMICAL ENGINEER Required

with broad experience in Pulp and Paper technology for a
SENIOR STAFF POSITION

in a prominent Consulting organization. The applicant should have held responsible positions in the industry for five to ten years, during which time he has demonstrated his ability to take control of process design and application.

This position could lead to a permanent appointment. Salary open. Reply in confidence to

Box 390, The Financial Post, Toronto

CHEMICAL SALES MANAGER

An expanding chemical manufacturing company requires a district sales office manager with ability to supervise technical salesmen. A challenging opportunity is offered to graduates in Chemistry or Chemical Engineering who have had experience in chemical sales.
Applications which will be treated in confidence should be addressed to:

J. Seath
Personnel Director
ELECTRIC REDUCTION COMPANY OF CANADA, LTD.
137 Wellington St. West., Toronto, Ont.

OFFICE MANAGERS and ACCOUNTANTS

One of Canada's largest and most progressive trust companies, offering attractive salaries and a full program of company benefits, has openings for Office Managers and Accountants in a number of principal cities across Canada.

Applications are invited from persons (age group 30 to 35 preferred) capable of filling positions of relatively senior responsibility. Interviews will be arranged promptly for applicants whose qualifications meet the requirements for the positions available.

Apply by letter, giving full details of personal background, business training and experience. All applications treated in strictest confidence. Our staff has been advised of this advertisement.

Box 430, The Financial Post, Toronto

GENERAL SERVICE MANAGER

AUTOMOTIVE AND CONSTRUCTION EQUIPMENT

A major equipment distributor in Eastern Canada requires a General Service Manager. This position is of senior responsibility and requires proven management experience and ability. The general qualifications are:—

1. Experience in the automotive, construction or similar industries.
2. Knowledge of inventory planning and control practices.
3. Background in organizing and directing customer service and parts sales operations.
4. Experience in dealing at senior level with major customers.
5. Aged 30 to 45 years.

This position offers an opportunity to progress with a growing business. Please write, outlining qualifications and experience. All applications confidential.

BOX 438, THE FINANCIAL POST, TORONTO

Applications will be received for

COMMISSIONER
CITY of VANCOUVER
BRITISH COLUMBIA, CANADA

DUTIES: To serve as a member on a three-man Board of Administration consisting of two appointed Commissioners under the chairmanship of the Mayor or an alternate from City Council. The Board is responsible for:

1. The effective execution of Council policies and legislative enactments.
2. Co-ordinating municipal services and directing the City's business affairs.
3. Advising and assisting City Council in policy formulation.

QUALIFICATIONS: Must have extensive experience in Administration at the senior level, preferably with knowledge of the widest possible area of Municipal or other Government affairs.

SALARY: $19,500 — $22,000 depending on qualifications.

Application forms must be obtained from and returned with any supporting information to the City Clerk, City of Vancouver, 453 West 12th Avenue, Vancouver 10, B.C., not later than August 28th, 1959.

TECHNICAL PARTNER

Required to take over management of a growing metal fabricating plant. Volume: $1,000,000 approximately. Qualified energetic candidates are asked to write in confidence: personal data, training, experience and references.
Capital is of secondary importance.

Box 439, The Financial Post, Toronto

INDUSTRIAL ACCOUNTANT

We require a C.A., C.P.A., R.I.A., or B.Comm. with equivalent experience for an unusually interesting position in our Finance Division.

We offer the successful candidate an attractive salary, a full program of company benefits and pay re-location expenses.

Please submit your application in confidence to:

Employment Services,
MASSEY-FERGUSON LIMITED,
915 King Street West,
TORONTO, 3, Ontario.

SYSTEMS ENGINEERS

Required

by prominent West Coast Consultants. Applicants required to initiate and administrate departmental coordination, schedules, office procedure, specifications and contracts. Preference will be given to applicants between the ages of 30 and 50 who have experience in the Pulp and Paper Industry. Salary open. Reply in confidence to

Box 391, The Financial Post, Toronto

If You are a Salesman in
BUILDERS HARDWARE
Here's Your Opportunity to Become a
SALES MANAGER

You are a successful salesman in all recognized channels of distribution of builders hardware.
You have the ability to communicate, to develop and initiate complete sales plans and train and direct your sales force.
You want to be a sales manager in this field. And this is your opportunity. There's challenge, opportunity, an excellent salary waiting for the right man.

Apply in confidence, in complete detail to:
BOX 434, THE FINANCIAL POST, TORONTO

UNION CARBIDE

OPPORTUNITIES in DEVELOPMENT and ENGINEERING

Carbide Chemicals Company, Division of Union Carbide Canada Limited has the following openings.

1. **Development Engineers**
Chemical or Mechanical Engineering graduates or Industrial Physicists are needed to work on challenging assignments in product and process development and technical service to sales department and customers. Some previous experience in the field of plastics processing or development is desirable.
2. **Design Engineers**
Chemical and Mechanical Engineering graduates with from two to five years' experience in petroleum, chemical or related industries, are required to work on chemical and mechanical process design assignments in connection with plant expansion.
3. **Administrative Assistant**
A young mature man or woman familiar with laboratory practices is required to assist in the general administration of the Resins Development Department. Duties will include the supervision of clerical functions, building administration, the gathering and distribution of technical information and the maintaining of an up to date technical library. A degree in Library Science would be particularly helpful.
4. **Laboratory Technicians**
Young men or women with high school education plus additional training in chemistry and physics and several years' experience in laboratory work are required for our Resins Development.

The above positions are open because of the rapid expansion of our Company and will be located in new and modern facilities now nearing completion in Montreal. All offer excellent opportunity for growth and advancement.
Please apply in writing giving full details of age, education and experience to:

INDUSTRIAL RELATIONS MANAGER
CARBIDE CHEMICALS COMPANY
Division of Union Carbide Canada Limited,
P.O. Box 1199, Montreal 3, Quebec.

FERRANTI LTD.

IMPROVED RESULTS

SIR VINCENT DE FERRANTI'S REVIEW

The 54th Annual General Meeting of Ferranti Ltd. was held on July 22 in London, Sir VINCENT DE FERRANTI, M.C., LL.D., M.I.E.E., chairman, presiding.

The following is an extract from his review circulated with the report and accounts for the year ended March 31, 1959:

The consolidated profit for the year amounts to £2,419,865 as compared with £1,252,971 for the year to March 31, 1958. After provision for tax the net profit is £1,104,572 against £575,971 last year.

Profits brought forward at March 31, 1958, were £313,701, and after providing £80,370 for Preference dividends, we have transferred to general reserve accounts £950,000. A dividend on the Ordinary stock of 6 per cent. (£73,500 after deduction of tax at 7s. 9d.) is recommended, leaving undistributed profits carried forward of £297,142.

Net assets as shown by the consolidated balance-sheet, after allowing for deferred liabilities and provisions (£1,503,772), amount to £8,123,678, an increase of £936,969 on last year's figures, and are represented by the issued capital of £4,500,000 and reserves and surplus of £3,623,678. Fixed assets, after making provision for depreciation, are £5,441,316 as compared with £5,553,243.

During the year investments in subsidiary companies have increased by £810,468 to provide funds to repay a short-term loan.

Net current assets are £4,186,133. We have reduced stocks by £303,180, debtors have increased by £102,165, while creditors and unclaimed and accrued dividends show a decrease of £32,814. Bank overdrafts are down by £1,860,935. Provision for taxation, including future taxation, amounts to £1,639,646 as compared with £966,346.

OPERATIONS

The improved result this year is due to a number of factors. On armaments, we have started to produce equipment which we have been developing for a number of years. On the other hand, the change in the Defence Programme will reduce activity in the departments making conventional armaments, and we shall feel the effect of this more in the current financial year.

The sales of new products, such as Silicon-Diodes, have increased, and it is gratifying to note that our decision to spend considerable sums of money in the past on the research and development of these products is now being justified by the results. Also, this is the first year when we have had the full benefits of the decision which we took two years ago to reduce substantially our activities in the field of domestic household products.

It is becoming particularly significant throughout the electrical industry (the third largest exporter in the United Kingdom), that despite narrower profit margins and declining export orders for heavy electrical plant, research and development expenditure has been on the increase.

Our own firm provides a good example of this general trend. We have been concentrating more and more in recent years on electronics, which, together with precision engineering and instrumentation, are an important means of increasing the quality and quantity of industrial products, as well as providing the essential ingredients of military defence requirements. However, this relatively new field requires intensive and costly research and development programmes before the final product or system can be manufactured economically for home and export markets.

ELECTRONIC DIGITAL COMPUTING EQUIPMENT

Outstanding amongst those products which have a high technological content is our range of Electronic Digital Computing Equipment, and with some forty installations in the hands of customers, we are established as the foremost British supplier both for scientific applications, and for commercial data-processing with magnetic tape.

It is of interest to note that all the orders so far received for our new Perseus Computer are for export. The first of these very large machines has been delivered, and it is expected that, having been designed for large-scale commercial data-processing, Perseus will find a very wide range of applications. During the year a new data-processing system, Pegasus II, has been introduced; this is intended for medium-scale operations where the problems are insufficient to justify the use of Perseus. The Mercury Computer has been especially well received internationally in the Atomic Energy Industry.

GUIDANCE SYSTEMS

Another field of complex electrical and electronic equipment in which we are very firmly established is that of Guidance Systems, for use both in connection with manned aircraft and with missiles. Although such equipment is usually initiated to meet military requirements, some of it has in the past been adopted or modified for civil applications, and thus we hope that in the longer term there will be commercial uses for some at least of the systems or components which we are now developing.

Guided weapon activities continue on a considerable scale, both on the research and development, and on the production fronts. The Bristol-Ferranti Bloodhound is now in service with the Royal Air Force, and the successor to Bloodhound has recently reached an advanced stage of development. We are also engaged on the further development of ground radars associated with surface-to-air guided weapons, and trials of new equipment have been most encouraging.

The importance of another basic form of guidance, known as Inertia Navigation, is growing rapidly, and we are making good progress in the design of the extremely high-precision Gyroscopes, Accelerometers and Inertia Platforms required, and with the manufacture of some of these components. Other products falling within the component field include our range of High-temperature Transformers, which are being adopted for military use, and further ranges of small lightweight Precision Potentiometers, which have been introduced during the year for use in aircraft data-transmission and computing systems.

The report was adopted.

LANDSCAPING

Central Mortgage & Housing Corp., has awarded a $75,190 contract to **Conniston Construction Co., Ottawa**, for site improvements and planting at Camp Gagetown, N.B. (**FP**, July 18). Contract covers landscaping of 350 housing units at the military camp where 1,600 houses have been constructed as married quarters for Department of National Defence personnel.

NEW SPORTS CAR from Rootes in the U. K. is expected here next month. With wheelbase of only 86 in., it's rated a 100 mph car. Features include removable hard-top and disc brakes on front wheels. Prices: $2,600 is likely.

What's New

New products, new uses, new ideas, new money-makers. FP reports them here and invites your contributions. Write to 481 University Ave., Toronto.

WHO'S COUNTING? The bottle is counting. Tavern owners and careful hosts can stick this new Austrian gadget right into the whisky bottle (or any other kind). As you pour, it measures the shots and automatically counts them on a small dial.

* * *

CHILLY KNEES can now be covered in style. Scottish firm says it has most expensive travel rug in the world — imitation mink on one side and imitation chinchilla on the other. Price: $108.

* * *

GOLF SPIKES get clogged up? New plastic gadget removes dirt, grass, mud or leaves. Canadian maker stresses potential of the item as a promotion giveaway.

* * *

SUIT POCKET can hold a new electronic camera flash unit designed in Berlin. Maker says the unit is no larger than a postcard and weighs about 2 lb.

* * *

WALKING ON WATER. U. S. firm has a beach sandal for children with a sole of transparent plastic filled with water. Small fishes and multi-colored pebbles float in the water.

* * *

BUSINESS SIGN on your car bother you when taking the family on a pleasure trip? A new magnetic sign sticks to metal vehicle, advertising your business. After working hours: Just lift it off.

* * *

SHAVING LATHER machine in the barber shop now has a big brother to help clean industrial equipment. U. S. firm says its apparatus for making chemical lather or foam may revolutionize cleaning of complex assemblies of pipes and towers. Foam solvent is pumped through pipe system and filtered in a continuous cycle.

* * *

PLASTIC WALLS: New building board consists of two sheets of kraft paper enclosing a stiff foamed polystyrene plastic. Maker says board is tough, rigid, moisture resistant and light-weight.

* * *

NEW LITERATURE: A 64-page color-illustrated booklet on architectural metals available from **Anaconda American Brass Ltd.**, New Toronto . . . Brochure entitled "Professional Tools" from **John C. Preston Ltd.**, Montreal, office planning consultants . . . Refractory contracting services offered by **Canadian Refractories Construction Ltd.**, Montreal, are described in a new folder . . . Folder on couplings for use with asbestos-cement gravity sewer pipe from **Atlas Asbestos Co.** branch offices . . . Catalogue listing building wires and cables produced by **Standard Wire & Cable Ltd.**, Toronto.

ONE VIEW OF THE MARKET

Here Are Stocks Traded By Empire Life in 1958

*Canadian life insurance companies have an investment of $104 million in Canadian stocks. As a service to its readers, **FP** presents here one of a series reporting on the holdings of individual companies, as well as changes in their portfolios of Canadian preferred and common stocks last year.*

Empire Life Insurance Co., Toronto, in 1958 reduced its holdings of preferred stocks from 1.1% to 1.0% of total invested assets. Common stockholdings were reduced from 4.1% to 3.9%. Stocks were carried on its balance sheet at $1,651,231 at Dec. 31, 1958 ($1,604,105 a year earlier).

During the year, in its holdings of Canadian stocks, Empire Life:

—Liquidated one preferred issue.

—Added one new common issue, **Canadian Foreign Securities.**

—Increased its holdings of four common issues, including **Canada Permanent Mortgage and Chartered Trust.**

—Reduced its holdings of one common, **Interprovincial Pipe Line.**

—Eliminated six common stocks, including **British American Oil** and **British Columbia Power.**

Here are company's holdings of Canadian preferred and common stocks at Dec. 31, 1958, together with changes from previous year end:

	Shares held Dec.31/58	Change since Dec.31/57
Preferred:		
Aluminum of Canada 4½%	500	.....
Anglo-Cdn. Tele. 4½%	200	.....
Bailey-Sel. O. & G. (conv.)	400	.....
Cdn. Celanese $1.75	1,000	.....
B.C. Telephone	25	.....
Cdn. Cottons 6%	350	.....
Cen. Can. Invest. 5%	100	.....
Davis Leather $1.50	300	.....
Dom. & Ang. Inv. Corp. 5%	1,000	.....
General Steel Wares 5%	300	.....
Imperial Flo-Glaze $1.50	440	.....
Henry Morgan Co. 4¾%	...	—250
Morrow Screw & Nut 4%	100	.....
Rolland Paper Co. 4¼%	200	.....
N. Slater & Co. $2.12	200	.....
South Canada Power 6%	100	.....
El Paso N. Gas (conv.) 5%	200	.....
Jamaica Public Services	3,000	.....
Common:		
British American Oil	...	—1,000
B.C. Power	...	—1,000
Can. & Dom. Sugar	1,000	.....
Can. Perm. Mtge.	2,500	*+500
Cdn. Breweries	1,000	.....
Cdn. Celanese	2,000	.....
Cdn. Cottons	2,000	.....
Cdn. Foreign Securities	15,000	+15,000
Cdn. Oil Cos.	1,000	.....
Cent. Can. Invests. 5%	1,100	.....
Chartered Trust	1,100	+257
Cons. Mng. & Smeltg.	1,000	.....
Cons. West Pet.	500	+375
Distillers-Seagrams	1,000	.....
Dome Mines	1,500	.....
Dom. & Anglo Invest.	400	.....
Dom. Fdries & Steel	4,000	+700
Dom. Textile	2,000	.....
Economic Invest. Trust	1,000	.....
Ford of Canada	...	—50
Imperial Oil	2,100	.....
Imp. Flo-Glaze	500	.....
Interprov. Pipe Line	3,000	—1,000
Ogilvie Flour	...	—1,000
Power Corp.	1,200	.....
Price Bros.	1,000	.....
Quebec Nat. Gas	...	—144
Royal Trust	2,250	.....
Russell Ind.	1,000	.....
Sask. Pipe Line	160	.....
Stanrock Uranium	...	—875
Toronto Mtge.	625	.....
Hiram Walker-G. & W.	1,500	*

*Adjusted for stock split.

Company's invested assets at the year end consisted of 49.2% bonds, 27.6% urban mortgages, 6% policy loans, 4.9% stocks, 0.9% real estate, and 0.7% other assets. An analysis of invested assets at the end of each of the last four years shows as follows:

Analysis of Invested Assets

	1958 %	1957 %	1956 %	1955 %
Bonds:				
Government	10.5	10.1	10.8	11.4
Municipal	10.2	11.3	11.3	12.3
Other	28.5	30.0	29.3	29.3
TOTAL	49.2	51.4	51.4	53.0
Mortgages:				
All urban	37.6	35.1	36.4	35.8
Policy Loans	6.0	6.1	5.6	5.4
Stocks:				
(a) Preferred	1.0	1.1	.9	1.1
(b) Common	3.9	4.1	3.8	3.5
TOTAL	4.9	5.2	4.7	4.6
Real Estate	.9	1.7	1.1	1.2
Other	.7	.5	.8	.0
Grand Total	100.0	100.0	100.0	100.0

HUSSMAN BUSINESS GOOD

Hussman Refrigerator Co., Brantford, Ont., volume and earnings in first half 1959 were both ahead of the previous year, parent **Hussman Refrigerator Co. of St. Louis, Mo.** reports.

Canadian Wares To Be Displayed To Scandinavians

Canada will participate in the St. Erik's Fair, Stockholm, Sweden for the first time Sept. 2 to 13.

Aim: To promote trade in Scandinavia.

Some 45 Canadian firms are cooperating with the Department of Trade and Commerce in displaying a cross-section of what Canada has available for export to Scandinavia.

The Canadian display will be under the direct supervision of A. P. Bissonnet, commercial counsellor for Canada in Stockholm.

The exhibit will include foods and beverages, domestic and commercial appliances, transportation equipment used in the North, non-ferrous metals, wallpapers, wearing apparel, sporting equipment and toys.

Form Industrial Contractors Group

Industrial Contractors' Association of Canada has been formed by 16 of the largest industrial contractors in Canada. Head office will be in Toronto.

Membership is open to contractors in all types of industrial construction.

Officers: President, George A. Wilkinson, vice-president of **Marwell Construction Co.**, Vancouver; vice-president, R. J. Waugh, general manager, **Lummus Co. Canada**, Montreal; secretary-treasurer, D. I. Gardner, office manager, **Brown & Root Ltd.**, Edmonton.

Directors: R. E. Bisset, manager of manufacturing, **Foster Wheeler Ltd.**, St. Catharines, Ont.; James G. Bounds, president, **Fluor Corp. of Canada**, Toronto; Neale Pinet, manager, petro-chemical division, **Fulton- Banister Ltd.**, Edmonton; R. L. Walker, vice-president, **Canadian Bechtel Ltd.**, Toronto.

Aims of the new association:

- Develop a better understanding of all regulations concerning industrial construction and to review and suggest equitable legislation for the industry.
- Establish liaison between employers' organizations and labor organizations in the construction industry, government agencies, and members of the association.
- To provide a means of negotiation with the various unions.

Mr. Wilkinson said the association was organized to cope with special problems of industrial contractors that aren't readily solved by existing employer organizations.

ANNOUNCEMENT

KELLY, DOUGLAS & COMPANY LIMITED APPOINTMENTS

J. BAIRD — A. H. PINKHAM, C.A. — H. SCHMIDT — M. S. DUFFUS

Mr. V. F. MacLean, President of Kelly, Douglas & Company Limited, announces the appointment of four divisional managers to the position of Vice-President. Newly appointed are: Mr. J. Baird, wholesale division, to Senior Vice-President; Mr. A. H. Pinkham, C.A., Secretary-Treasurer, to Vice-President; Mr. H. Schmidt, manufacturing division, to Vice-President; and Mr. M. S. Duffus, retail division, to Vice-President.

CNR Contracts On $15 Million New Hump Yard

Special Correspondence

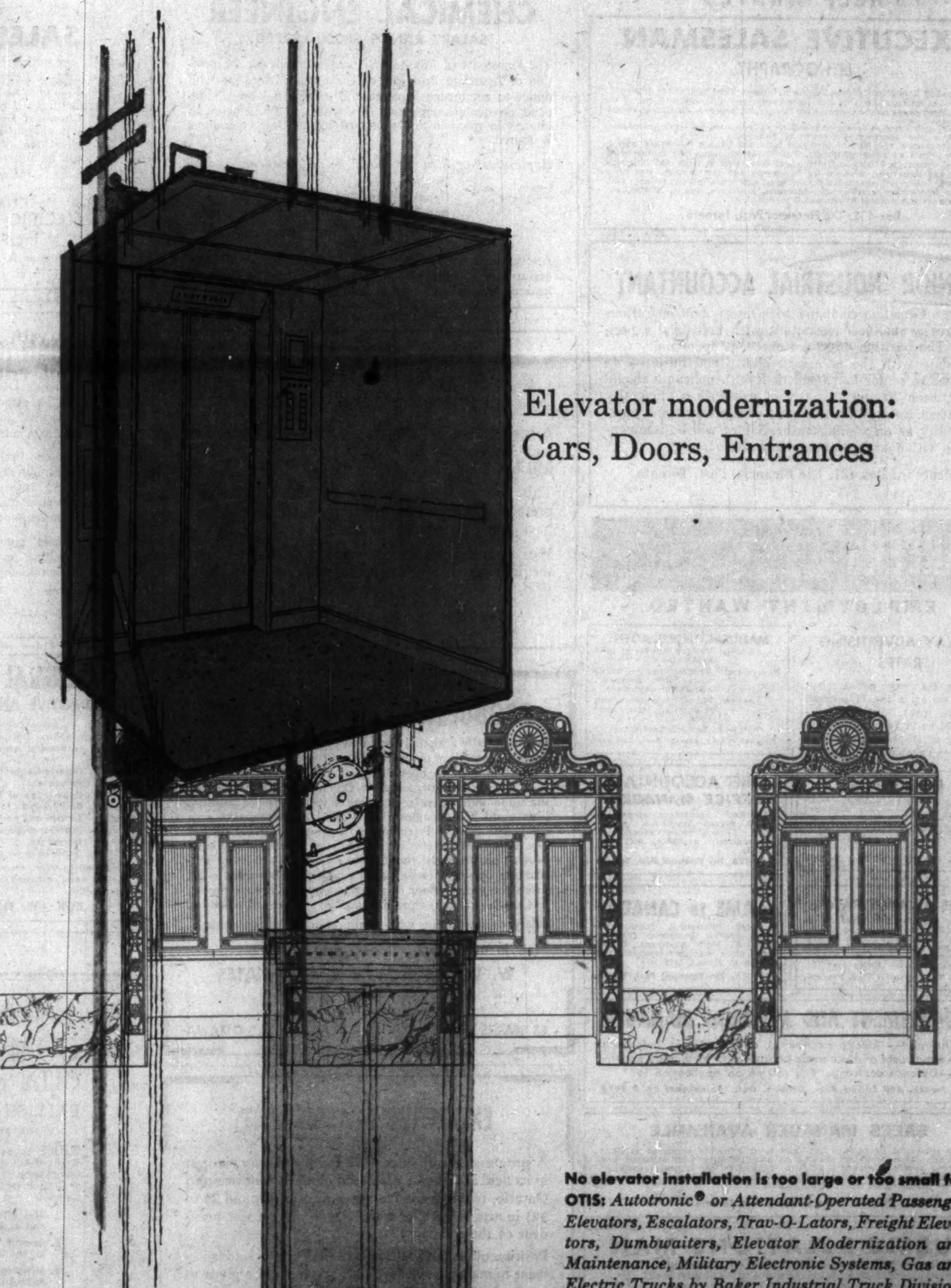
MONCTON — **Canadian National Railways** has let two more contracts for work on its $15 million hump yard project here.

Standard Electric Co., Montreal, will supply the main electrical distribution system, designed to meet estimated maximum demand of 1,600 hp.

Modern Construction Ltd., Moncton, will build the departure tower, a five-story brick building with steel frame, approximately 19.5 ft. sq.

Modern Construction also is building the main yard and hump conductor's office.

Outstanding value has made OTIS the accepted word for elevator quality in Canada and throughout the world.



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Baker industrial trucks

The Financial Post

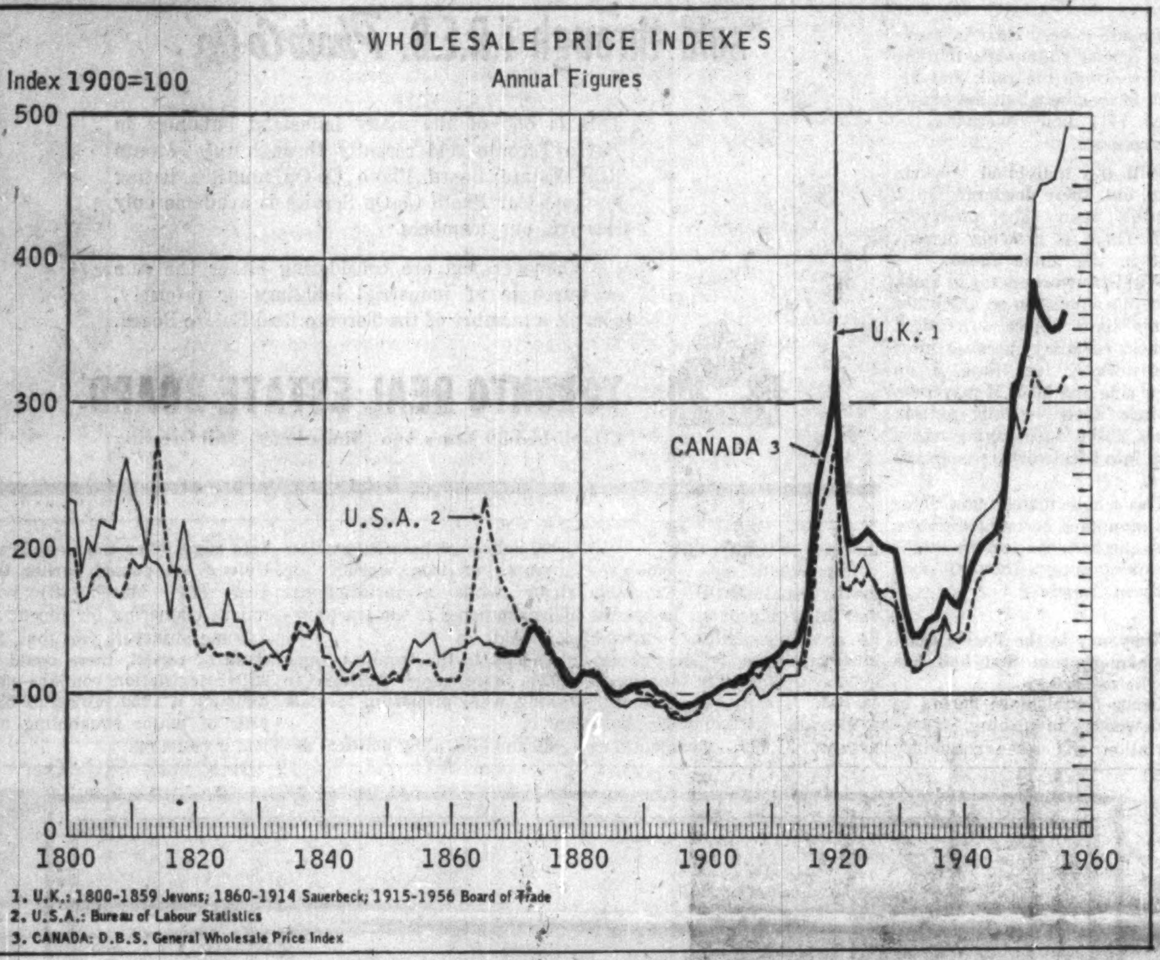
Vol. LIII | Member of Audit Bureau of Circulations | Publication Office: Toronto, August 1, 1959 | Twenty-five Cents an issue, Eight Dollars a Year | No. 31

Is inflation inevitable?

Not necessarily, reports the Senate's standing committee on finance.

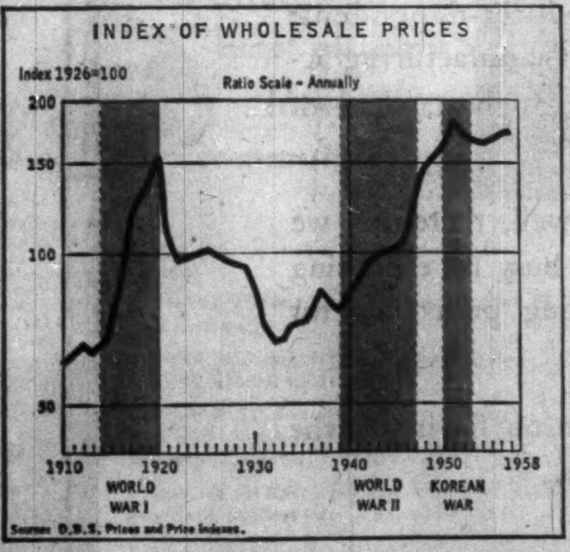
"Tools to contain inflation are available—what is necessary is the will and determination of the people and the authorities to use them," concluded Senator Emerson's committee after it had heard economists, business and labor leaders.

The charts on this page illustrate the changes that have taken place in Canada's economy as inflation has spread.

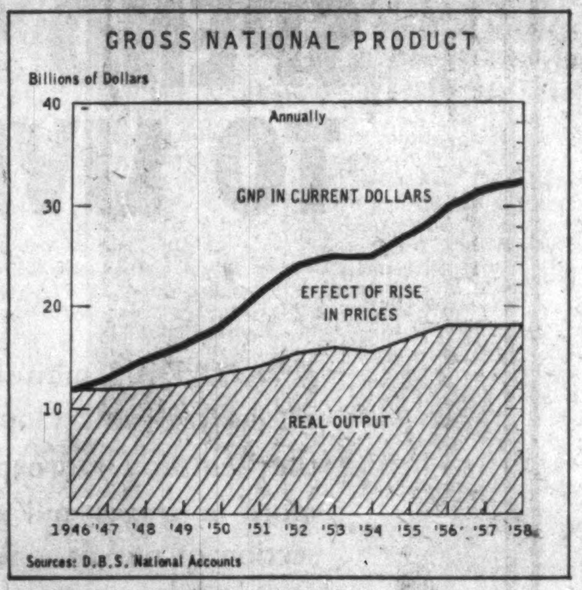


(1) Creeping inflation has not always been with us, history shows. The experts told the Senate: "No clear trend . . . increases have, in time, been offset by decreases . . . U. K. price levels in 1940 about the same as 1840 . . . yet there has been considerable growth in output . . . Prime causes of all pronounced increases in price levels were extraordinary events, especially wars . . ."

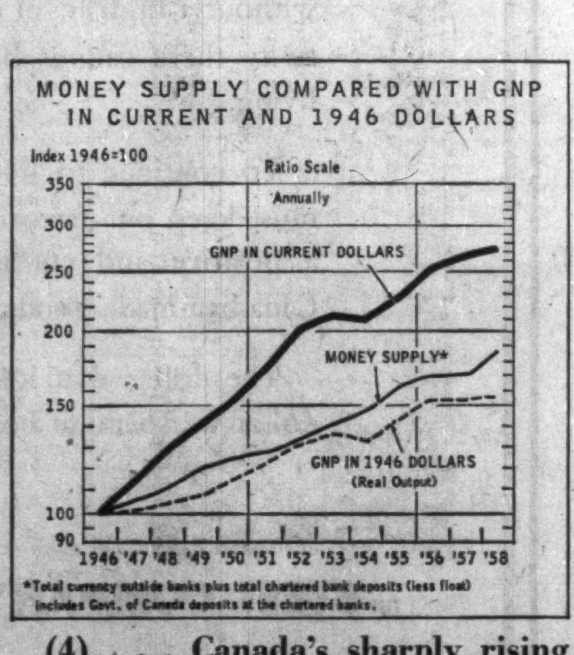
Major peaks (see chart) were the Napoleonic Wars, the U. S. Civil War, World Wars I and II, and the Korean War.



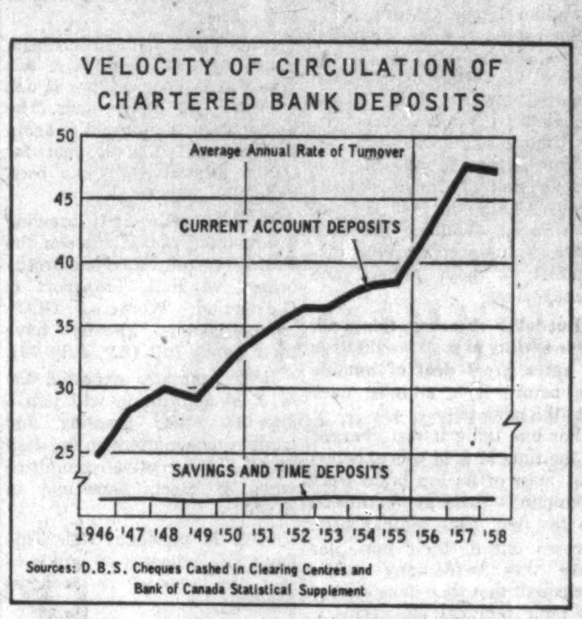
(2) Although production rose and prices fell during the prosperous decade of the 1920s, wholesale prices in Canada have increased by 66% since 1946, consumer prices by 62½%. This means that . . .



(3) . . . inflation has accounted for more than half the 8.7% average annual rise in Gross National Product; less than half the "increase" is real. Feeding inflation is . . .

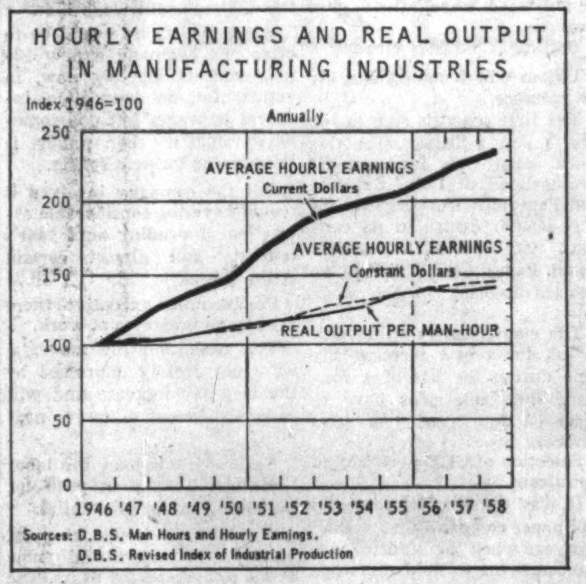


(4) . . . Canada's sharply rising money supply, which has exceeded production gains, and which has been . . .

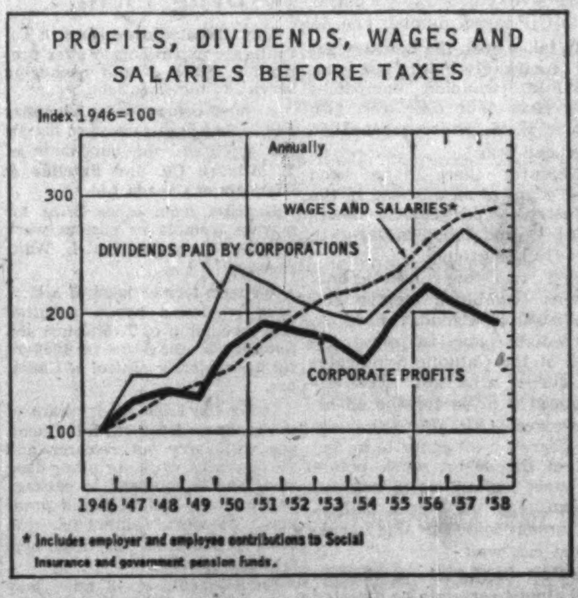


(5) . . . circulating faster than ever. This much more rapid turnover of money contributes as much to inflation as does the money supply increase.

As the Bank of Canada's Governor James Coyne pointed out, there is no way of controlling the increase in money circulation.



(6) Who wins in time of inflation? Since the war, wage hikes have far outstripped gains in productivity . . .



(7) . . . putting increases in wages and salaries substantially ahead of gains in corporate dividends and earnings.

INFLATION FEAR

Stocks-Bonds Battle Raging Over Savings

By P. T. DURRANT

The fear of inflation is at the root of a strenuous battle raging for the saver's dollar.

Essentially it is a tussle between the proponents of common stocks as a savings medium, and those who favor fixed income securities — mainly bonds and mortgages.

- The most aggressive backers of common stocks are the big mutual investment funds.

They claim stocks will tend to rise in price, and with them dividends, enough to offset the decline in money's purchasing power. They invest most of their money in stocks.

- On the other side:

The world's largest life insurance company, **Metropolitan Life**, and a large part of the life industry, who treat common stocks like a plague.

They feel that savers want to know exactly how much money their beneficiaries will receive on their death, and exactly how much income they will receive on annuities. This is not possible with a common stock-backed policy because of the wide swings in market price and dividend payments.

The common stock is not shunned by the whole insurance industry, however. Within the industry, **Prudential of America**, the world's second largest life company, is leading the fight for stocks via the variable annuity — a contract that would be backed by stocks.

Because the variable annuity is still in its infancy (New Jersey was recently the first major state to approve legislation covering its sale), the main battle at the moment is between sellers of ordinary life insurance and annuity contracts and sellers of mutual fund shares.

Shaping up before long, however, is a battle of the variable annuity vs. the mutual fund share. The combination of a common stock anti-inflation sales feature, and a huge sales force noted for its aggressiveness, makes the variable annuity a force to be reckoned with in future.

The fast-rising popularity of mutual funds has been one of the most spectacular developments of the past decade in the savings and investment field.

Benefiting from rising stock prices, these professionally managed investment funds have been giving life insurance companies increasingly stiff competition in the battle for the savings dollar. They are still small in comparison, but are growing fast.

For nine of the leading Canadian mutual funds now, for instance, sales in 1958 totaled $60 million, a 65% gain from $37 million in 1957 (eight funds), and five times the 1950 sales volume of the six out of these nine who were in business back then.

They sold 8.5 million shares in 1958 compared with 3.8 million (eight funds) in 1957 and three million shares (six funds) in 1950.

Total net assets were $57 million in 1950, more than $400 million by mid-1959. (In the same period, net assets of U.S. mutual funds rose from $2,530 million to an estimated $14,800 million.)

What's behind the rapid growth of these funds?

Stock prices have risen, of course. The Dominion Bureau of Statistics' index of common stock prices, for instance, climbed more than 100% — from 131.6 at end of 1950 to 275 at June 30, 1959.

Public interest in stocks has grown, thanks to publicity efforts of stock exchanges and investment dealers, and also to the great increase in direct selling by funds.

The funds in several cases have adopted the techniques used so effectively by the life insurance industry. The man with his foot in the door now is almost as likely to be a mutual fund salesman as an insurance agent.

More brokerage houses and investment dealers have become active in this segment of the investment market too.

In their sales pitch, the mutual salesmen play up the inflation worry and offer the funds' shares as an offset.

In addition, they offer a variety of investment plans to meet the needs of individual savers. These include:

- **Periodic purchase plans** — investment of a chosen amount at regular intervals.
- **Tax-deductible Registered Retirement Savings Plans**, accumulated on either a fixed dollar basis, or an equity basis, or a combination.
- **Group pension plans.**
- **Plans combining stock investment** with term life insurance coverage.
- **Reinvestment of dividends** in purchase of more shares, which has a compounding effect on their rate of return.

Although the volume of business done by mutual funds is still a drop in the bucket compared with insurance savings, insurance companies have reason to be concerned by the inroads being made into "savings" business by the funds and other institutional savings collectors.

As an illustration, insurance men point out that the proportion of term insurance purchased by Canadians has increased relatively seven times in the last generation (35% as against 5%) at the expense of life, endowment and other plans with a savings element.

Main reason for this trend, they realize, is inflation. Insurance companies know their product loses favor as a means of saving when the purchasing power of money declines. They are seeking ways to combat this.

The controversial variable annuity plan is an outgrowth of this search for an anti-inflation product. Pensions in a variable annuity are payable in "units" of a stock fund, the amount of such payments varying with the value of the unit, which in turn varies with the market prices and dividends of the stocks behind it. They would be sold probably, in combination with a traditional fixed income annuity.

Prudential of America's president, Carrol M. Shanks, sees big possibilities ahead for stocks and for variable annuities. He has his eye at first on the big group insurance field. Sales to individual savers would come later.

Enabling legislation having been passed by New Jersey, Prudential will seek similar authority from other states to permit a widespread distribution of variable annuities. They could be on the market within a year.

The mutual funds themselves are naturally against any scheme which might cut into their business.

More significant, though, is the opposition shown by other insurance companies.

Led by Metropolitan Life Insurance Co. of New York, this group's main objection is that the variable annuity will destroy the traditional insurance principle of a guaranteed return on money invested, come depression or good times.

Whatever the outcome, one thing seems clear: The pace of the battle for your savings dollar is likely to grow rather than diminish. In the fight, conventional insurance contracts will be pitted against new ones incorporating the variable feature, and both will be combatting the rapidly rising mutual funds.

Insurance Big, Mutuals Grow Faster

	Total Savings ($ millions)	Ins. prems. & Annuity Consids. ($ millions)	Life Ins. Saving ($ millions)	Life Ins. as % of total sav. %	*Mutual Fund Sales(1) ($ millions)	*M.F. sales as % of total sav. %
1958	2,096	837	*410	19.6	61	2.9
1957	1,467	769	*370	25.2	37	2.5
1956	1,541	707	*355	23.0	43	2.8
1955	865	648	*330	38.2	39	4.5
1954	809	605	300	37.1	17	2.1
1953	1,312	555	272	20.7	14	1.1
1952	1,291	514	245	19.0	11	0.8
1951	1,334	500	228	17.1	10	0.7
1950	662	429	209	31.6	12	1.8

*Estimated.

(1) In 1958, 9 funds; 1957, 8 funds; 1954-56, 7 funds; 1950-53, 6 funds. Figures include leading funds but do not cover all now operating.

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Average thickness of seams:
No. 6 — 4 feet 3 inches
No. 7 — 4 feet 1 inch

Depth explored:
maximum vertical — 600 feet
slope — 3,000 feet

Tonnage indicated:
No. 6 — more than 3,000,000 tons
No. 7 — more than 1,500,000 tons
(Note: May 31 estimate)

Contour plans and details of seams available for inspection at Halifax office, Nova Scotia Department of Mines.

Complete plans and reports available at a charge of $6 per set.

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Dr. J. P. Nowlan
Deputy Minister
Nova Scotia Department of Mines
Provincial Building
Halifax, Nova Scotia

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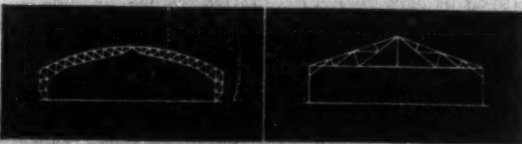

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LABOR ROUNDUP

Mine Unions Aim For Solid Front

Mine-Mill workers vote to rejoin CLC may end bitter dispute with Steelworkers. But will leaders eat humble pie?

By CLIVE BAXTER

Is an end in sight for the long inter-union war on the Canadian mining scene?

That was the crucial question both in mining and labor circles following last week's news that the 30,000 Canadian members of International Union of Mine, Mill and Smelter Workers had voted four-to-one to join the Canadian Labor Congress.

Such a move—if it is allowed—would certainly mean the close of the bitter jurisdictional dispute between M & M and the 78,000-member Steelworkers Union.

Ever since M & M was chucked out of Canadian Congress of Labor in 1949 the two have been swinging at each other, to the considerable discomfort of both miners and management.

But labor observers this week were betting M & M would have to eat a great deal of humble pie before it is allowed back into the labor club.

For one thing it was charged at the time M & M was expelled that most of its top brass were Communist party sympathizers. So far they have neither been thrown out of their jobs, nor have they made any public statement that they have changed their political affiliations.

So one of the main bones of contention remains firmly in place.

Another difficult factor is the attitude of Steelworkers.

This rich and powerful labor giant is a "clean" union in CLC's books, neither tainted with red nor gangster connections.

Its officers have played important roles in shaping CLC. It has supplied a lot of the money and technical know-how that has built up CLC.

M & M's application to join the club will certainly have to be approved by Steelworkers as one of the senior members—and Steelworkers has been spending large sums of money and much effort to smash M & M's power.

No official statement has been issued by CLC since M & M's vote was announced, nor is one expected, **FP** understands. The explanation is simple. Yet again in this most difficult year for CLC's executive, it has been handed a red hot potato.

With a nasty fight brewing inside their ranks between the Teamsters and Canadian Brotherhood of Rail, Transport & General Workers, CLC's troubleshooters already have their hands full (**FP**, July 18).

It is generally expected the M & M application will join a pile of other pressing and troublesome matters on the desk of CLC's executive committee when it meets sometime in August.

M & M president Nels Thibault has indicated he will present the request as soon as possible.

One CLC member told FP: "It promises to be an interesting situation. The officers of the Mine & Mill union will be asking to be allowed back into CLC, while almost certainly CLC's conditions for membership will include getting rid of most, if not all, of the same officers. It should be pretty tense."

CLC president Claude Jodoin has made it very clear in previous official statements that he will welcome the rank and file M & M members, but not before they rid their executive of Communists.

Will the individual workers vote out their leaders? Quite possibly, many labor observers feel. There is growing discontent in the union ranks.

Will Steelworkers try to block M & M's admission on any other terms than abject surrender? Almost certainly, because most Steelworkers feel time is on their side and M & M may soon destroy itself — thus putting some 30,000 dues-paying members into Steelworkers potential orbit.

The whole matter now joins the mountain of imponderables that plague labor leaders intent on maintaining a show of labor unity in Canada.

* * *

Buoyancy in the Pacific coast labor market in first half has hit the rocks.

Labor troubles are flaring in the woods, in fishing, transportation and some secondary industry (**FP**, July 4).

With them has come renewed fear in British Columbia that the province may jeopardize its economic position—through loss of markets and, just as serious, a scaring-off of investment capital.

At mid-week, there were nearly 27,000 woodworkers, 5,000 salmon fishermen, smaller numbers of iron workers on strike while a jurisdictional fight simmered in the sea transport field.

To add to the troubles, some 3,000 shore-based workers in fishing were preparing to walk out.

Meanwhile, a big political debate rages over the new Trade Unions Act passed earlier this year (**FP**, March 28) with unions clamoring for repeal.

Some observers feel that, instead of repeal, there could be stiffer legislation coming—particularly if 1959 proves to be a year of major squabbling and lost production.

TCA Rejects 1-in-4 Rule In Pilot Pay

MONTREAL (Staff)—A federal conciliation board has ruled that **Trans-Canada Airlines'** pilots should get one hour's flying pay for every four they are on the ground away from home base.

At mid-week TCA had accepted the principle, but turned down the one-in-four formula as being "neither appropriate nor necessary".

The airline has proposed further talks with the pilots' association to decide on an away from home pay schedule.

If the talks are held it will almost certainly mean they will continue into September when the whole matter of new pay rates comes due for discussion.

With the matter of jet pay coming up then, the outlook for cockpit labor is troubled.

Unions Seeking Weak Link In Pulp, Paper Management

MONTREAL (Staff) — The Canadian pulp and paper industry is preparing for some tough wage negotiations next spring.

Betting in industry circles:

Unions will demand about 14c hr. increase.

The first concrete sign of the new union attitude came this week when the International Brotherhood of Pulp, Sulphite and Papermill Workers invoked a re-opener clause in its contract with **Canadian International Paper Co.** to discuss an upward revision in the wage rates.

The clause allows either side to ask for a new meeting any time during the life of a contract, but both sides have to agree on any revision of rates before it becomes effective.

Selection of CIP is considered significant.

It was the first of the pulp and paper companies to "break" last year when the industry was fighting hard to hold the wage line.

When CIP signed a two-year contract, giving a 5c hr. raise, the rest of the industry reluctantly followed.

Now the Pulp, Sulphite union and its colleague the International Papermakers Brotherhood have returned to the battle, with CIP target number one.

In labor eyes, the industry got off remarkably lightly last year.

While Canadian companies only gave a 5c hike over two years, U. S. mills granted 5c over one year.

Recently there have been clear signs of an upswing in the industry — particularly newsprint — and labor is eager to recover lost ground.

The two big international unions (combined membership of 40,000 in Canada) have no immediate plans to follow the lead of the Catholic Syndicates in Quebec who last week announced a drive for the 36-hr. work week (**FP**, July 25).

"There's a lot more to be got out of the 40-hr. week before we start looking at 36 hr.," an executive of the Pulp & Sulphite union told **FP** this week. "That can wait."

Union tactics from now on will almost certainly be directed towards splitting the united management front.

The probe into CIP territory was the first step.

Last year the re-opening clause became standard across the industry. Before that only CIP had it. Union negotiators are now free to sound out management solidarity, looking for the all-important weak link.

A possible tactic would be to offer one company a new 18-mo. contract starting now, in return for an immediate increase in wages but one somewhat smaller than labor is threatening for next spring.

For the company involved it would have the considerable attraction of evading next year's tensions and almost certain strike threat.

For the union executives there are strong pressures at work.

The rank and file members were not greatly impressed by the last pay increase and will certainly demand more next year.

To keep their jobs, the labor leaders will have to push for something fairly substantial.

The industry is watching the union moves very carefully now as the danger period nears. The individual companies are watching each other's reactions almost as closely.

Firms Expand In Drug Field

Two affiliated drug firms in Toronto are expanding to offer production, research and packaging service to the drug field.

A new company — **Chempac Ltd.** — has been formed to handle the operation, the outgrowth of **T. Milburn Co.** and **Sutcliffe & Bingham of Canada Ltd.**

Demand from other firms for private formula or custom work has been growing, Paul L. Waitzer says.

Waitzer, former head of a U. S. drug wholesale house, acquired sole ownership of T. Milburn and Sutcliffe & Bingham in 1956-57. He has majority control of Chempac.

Using the 8,500 sq. ft. plant of the group on Danforth Rd., Chempac will carry out research and development work for other drug firms and is equipped to package and produce tablets, liquid products, powders, ointments and other products in the drug, cosmetic and food fields.

Employment, at 18 now, may soar to 40 or 50 in the normally busier winter season.

Private formula work of this kind is carried on by some 10 companies in Canada. Big customers are drug houses which lack plant and laboratory facilities of their own.

RESULTS COUNT!

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This is one of the many industrial buildings in Metro Toronto sold recently through the Toronto Real Estate Board Photo Co-Op multiple listing system. Our Photo Co-Op Service is available only through our members.

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The two things are inter-dependent; without a high level of manufacturing activity there cannot be a high standard of living.

To continue to live well, therefore, we must keep our factories busy by exercising a positive and continuing preference for Canadian-made goods.

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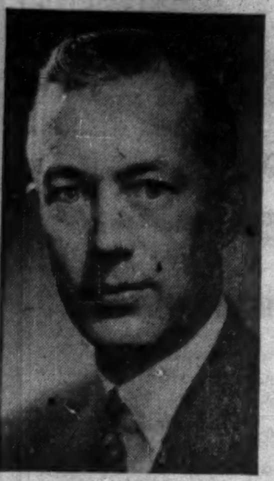
ANNOUNCEMENT

TOBACCO COMPANY APPOINTMENT



J. H. DEVLIN

Rock City Sales Limited, the advertising, merchandising and distributing company for tobacco products manufactured by the Rock City Tobacco Company Limited and Rothmans of Pall Mall Canada Limited, take pleasure in announcing the appointment of J. H. Devlin as Executive Vice-President. Mr. Devlin, born in Toronto, brings into the newly organized sales company 15 years of creative advertising and national sales experience. He assumed his new duties on July second.

Watch U.S. Labor For Effect on Us

Outcome of U.S. labor trouble in steel, aluminum, copper will affect Canadian industry . . .

MONTREAL (Staff)—Three of the nation's major industries —iron ore, aluminum and copper—are anxiously watching the gathering storm clouds on the U. S. labor scene.

For Canadian producers, labor troubles brewing south of the border hold mixed prospects.

The U. S. steel strike — now in its third week without hint of settlement — has already cut into Canadian iron ore shipments.

If it lasts more than a month, Canadian ore producers will be unable to make up all tonnage lost.

The threat of a strike in the U. S. primary aluminum industry has been averted temporarily at least, by this week's agreement to extend existing contracts until 30 days after settlement of the steel strike.

A protracted strike could mean extra "windfall" sales of Canadian ingot. In addition, any settlement involving wage increases might force a boost in U. S. aluminum prices, a move which would benefit Canadian smelters.

Also threatening is a strike in the U. S. copper industry where the Mine, Mill and Smelter Workers' Union — which bargains for a majority of copper workers — has been working without contract since June 30.

A lengthy tie-up of U. S. producers might help to firm copper prices which have been sagging due to world over-production.

Iron Ore Co. of Canada, the nation's giant ore producer, is currently losing 30,000 tons per day in shipments due to the U. S. steel strike. Daily shipment rate is down to 40,000 tons from the normal 70,000 tons.

Company's 1959 target: shipment of 12 million tons. Some 6,225,000 tons have been shipped to date.

Officials report that if the U. S. strike lasts no longer than a month, they expect to be able to make up the loss. If the strike lasts longer, however, some shipments will be lost for good this year.

So far, IOCO's ore mining operations are continuing at full tilt.

Company officials note, however, a protracted U. S. steel strike could result in suspension of mining operation earlier than usual this fall.

On the U. S. aluminum scene, a strike against the big four producers scheduled for after July 31 when present contracts run out, now appears more remote. Involved is the United Steelworkers of America, which bargains for about half of the aluminum industry's workers, and two other unions.

The steelworkers asked the aluminum producers for a 15c hr. wage hike and benefit increases for each year of a one, two or three year contract.

Producers rejected this demand and proposed a one year wage freeze.

In the face of a strike threat, U. S. aluminum users have been stock-piling ingot for the past several months. If these supplies are worked off in a lengthy strike, there undoubtedly would be extra demand for Canadian ingot.

Settlement of the aluminum dispute if accompanied by a wage hike could result in an increase in the present 24.7c lb. U. S. price of primary aluminum.

Such a boost would benefit Canadian producers, such as **Aluminum Co. of Canada**, whose present labor contracts run through to the summer and fall of next year.

On the U. S. copper scene, the Mine Mill union is just now starting to press demands for substantial wage increases. The union's national wage policy committee is scheduled to meet in Denver Aug. 4. Among the topics to be discussed will be setting of a strike date, according to some reports.

As far as Canadian copper producers are concerned, offsetting factor in the event of a U. S. strike is the extent of current over-production of the red metal.

With demand now in the annual summer doldrums, producers both in the U. S. and abroad have instituted production cutbacks within the past several weeks.

Further reduction in production is possible.

Resignations Seen Forcing N.S. Election

From Our Own Correspondent

HALIFAX — Nova Scotians are speculating again on an early election, possibly this fall, following resignation of cabinet minister R. C. Levy.

Levy resigned his Lunenburg East seat, relinquishing his Municipal Affairs and Lands and Forests portfolios.

He gave no reason, but insiders said he would be appointed county court judge for Lunenburg, a post which has been vacant for a year.

The move reduced government's voting majority to three.

A further reduction is seen if John M. MacDonald of Cape Breton North resigns, as is rumored, to become a senator.

Following Levy's resignation N. Layton Fergusson was sworn in this week as Minister of Municipal Affairs. Agriculture Minister E. D. Haliburton assumed the additional duties of the Lands and Forests portfolio.

The Nova Scotia legislature was elected Oct. 30, 1956. Its term of office does not expire until 1961 but the feeling is developing that Premier R. L. Stanfield will go to the people sooner to seek a renewal of his mandate.

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(Advertisement)

Manitoba Ducks the Issue, Board to Study Margarine

From Our Own Correspondent

WINNIPEG — The legislature has dodged decision on the colored margarine issue in Manitoba by referring it to an independent board of inquiry.

The board is instructed to inquire into the "social and economic consequences" which might follow if manufacturers were permitted to color margarine before distribution for sale to the public. (**FP**, July 11.)

The legislature was caught between the dairy industry which insists the color ban be continued and the urban population, now supported by rural edible oil growers, who want it removed.

The House voted 38-12 for the inquiry proposed by Conservative Harry Shewman, Moris.

It temporarily scuttled a bill to lift the ban introduced by Conservative Richard Seaborn of the Winnipeg constituency of Wellington.

Even though a delaying action, it was the first time in nine years the legislature has arrived at anything resembling a decision.

Seaborn's bill is certain to reappear at the next session early in 1960.

In previous sessions when the bill to remove the color ban was introduced the government avoided embarrassment by allowing a free vote, knowing its ministers would be divided and knowing also what would happen. The bill was always rejected.

On one occasion when Premier Roblin was a back bencher he declared for colored margarine and once sponsored a bill.

The inquiry is not likely to tell the legislature anything about margarine its members don't already know.

It may, however, come up with findings that fears of the dairy industry are more imaginary than real.

Furthermore it will be able to take a look at the position of farmers growing oil seed crops, a phase of Manitoba agriculture which has had spectacular development since the color prohibition was imposed.

The inquiry committee is asked to report before the session next winter.

Pick Camrose Pipe Mill Site

Construction of Canada's biggest steel pipe mill is due to start within a few days at Camrose, Alta., not at Edmonton (**FP**, May 9).

Camrose has a population of 5,960.

Page-Hersey Tubes Ltd. and **Steel Co. of Canada** will build the mill, which will manufacture pipe up to and including 42 in. diameter.

Contract for design and construction of the mill building has been let to **Canadian Bechtel Ltd.**

Application is being made to the Alberta government to incorporate the new pipe firm as **Camrose Tubes Ltd.**

The $10 million mill will be the first in Canada to make steel pipe larger than 36-in. diameter in continuous 40-ft. lengths.

An order for massive pipemaking machinery has been placed, and delivery is expected to start in November-December this year.

Directors of the new pipe firm will include: Frank M. McMahon, Calgary; H. R. Milner, Edmonton; one other western business leader to be announced later; and representatives of Stelco and Page-Hersey.

Foreign Exchange Rates

Noon Value in Canada
Week Ended July 28, 1959

	U.S.$	U.K.£
Wed.	.95 30/32	2.69 12/16
Thurs.	.95 31/32	2.69 13/16
Fri.	.95 29/32	2.69 10/16
Mon.	.95 30/32	2.69 12/16
Tues.	.95 30/32	2.69 12/16
Ave.	.95 30/32	2.69 59/80

U.S. rate reported by Bank of Canada.

U.K. bid rate reported by Toronto Dominion Bank.

Start to Clear Prison Farm Site In Springhill

From Our Own Correspondent

SPRINGHILL, N.S.—Work has started here to clear property formerly occupied by **Cumberland Railway & Coal Co.** as a site for a federal prison farm.

Demolition of buildings and dismantling of the bankhead will be completed by end of August.

Town expects a federal grant to equal the $50,000 in property taxes the **Dominion Steel & Coal Corp.** subsidiary had been paying.

The Ericofon, world's most advanced telephone, is available with Ericsson Intercom systems.

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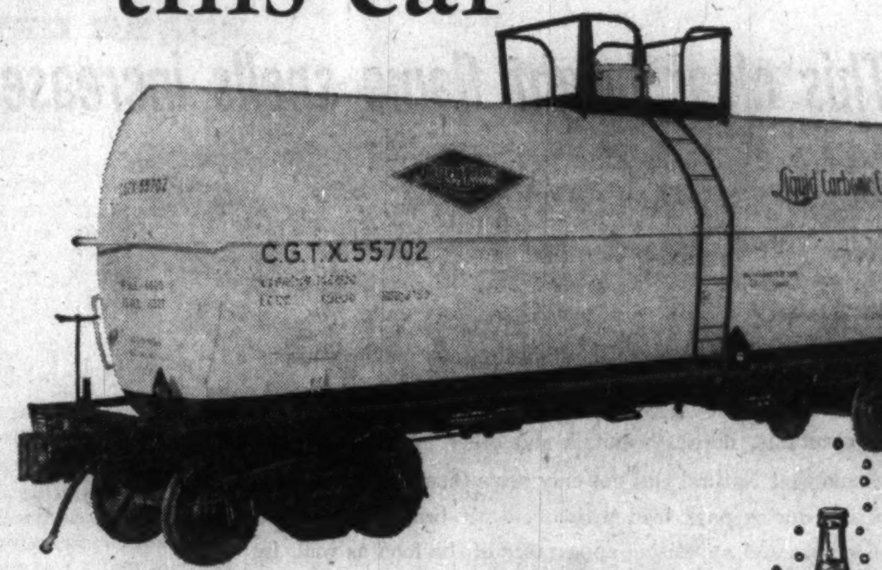

puts bubbles into beverages

It's a new carbon dioxide car — *the first of its kind built in Canada* — and put into service by Canadian General Transit.

Liquid Carbonic Canadian Corporation, Limited, who — with their parent organization — are the world's largest manufacturers of carbon dioxide, have leased this car for a long term and use it to ship liquefied CO_2 for bottlers of carbonated drinks — to put the bubbles into your beverages!

Liquefied carbon dioxide (CO_2) is only one of the thousands of products carried in CGTX cars. Others include: compressed gases, liquids, chemicals, flour, sugar, molasses, sulphur—materials for every business or industry where bulk handling can save time, money and worries.

If bulk shipment is right for your product, plan ahead with Canadian General Transit. In over 25 years of experience, CGTX has learned how to serve you — best!

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Industrial Growth

Manufacturing plants new to Canada; expansions of existing industry across the nation.

Stratford, Ont.

Reliance Electric & Engineering Co., Cleveland, O., has purchased a plant in Stratford, Ont.

This is the first step in a $1 million capital investment program. Plant is on a 23-acre site and contains 41,000 sq. ft., mainly manufacturing space.

J. A. Willoughby Co. acted as realtor.

The Stratford operation will be a new subsidiary of the Cleveland company, to be known as **Reliance-Reeves-Master Ltd.** Management will be Canadian.

Plant will be equipped with facilites for manufacture of Reliance VS drives, electronic controls, and Master gearmotors now built for Canadian customers in the company's Ohio plants. This will increase company's capacity in Canada by 50% and products now being imported will be manufactured at Stratford.

Operations will start in the late fall and around 100 people will be employed initially.

Reliance has a wholly-owned subsidiary in Welland, **Reliance Electric & Engineering (Canada)**, with headquarters in Toronto. This company makes electric transformers and motors in a wide variety of sizes and is presently operating at near-capacity.

Ottawa

Ahearn & Soper Co., Ottawa, has broken ground for a $250,000 office and warehouse on a three-acre site in a planned industrial subdivision, Hurdman's Industrial Park.

Building was designed by **Bruce Crowther,** Montreal, and general contractor is **Doran Construction Co.,** Ottawa.

Ahearn & Soper supplies every type of power and electronic and communication equipment ranging from tiny fractional horsepower motors to complete hydroelectric installations and from minute transistors to Klystron power tubes over 10 ft. high.

Toronto

Edmor Manufacturing Co., Toronto, is a new company specializing in manufacture of aluminum flyscreens and will supply aluminum accessories to window manufacturers. Company plans a Canada-wide distribution.

Founders and partners are Ben W. Morenz and William Edwards, who have a combined total of 31 years sales and technical experience. Both were with another firm in the field for four years before setting up Edmor.

Company custom-manufactures flyscreens to fit any opening, with appropriate hardware for all applications. Self-locking spline grooves are an exclusive feature, company claims.

Address is 10 Hafis Rd., Toronto 15.

Dunvegan, Alta.

Dominion Bridge Co., Calgary, is currently building Canada's fourth largest suspension bridge across the Peace River at Dunvegan, Alta.

Dunvegan is the start of the Mackenzie Highway and is 376 mi. northwest of Edmonton.

Total length of the span will be 1,800 ft. with an additional approach of 575 ft. The bridge will carry a 27-ft. roadway across the Peace to replace the car-ferry now in operation.

The 145-ft.-high suspension towers will carry two five-bank open-strand cables requiring 87,240 ft. of 2⅛-in.-diam. galvanized steel cable.

Erection of the structural steel for the approach on the south bank is nearing completion. Cost of the bridge: around $4.5 million.

Brantford, Ont.

Brantford Coach & Body Ltd. has added a new Task Flite semi-dump to its trailer line. It features self-contained hydraulic system that makes each trailer independent of the tractor. This means any tractor in the fleet can haul a Task Flite, making for ease of operation.

Unit comes in a wide range of sizes: 16 ft. to 25 ft. for single axle; 18 ft. to 24 ft. for tandems; 22 ft. to 24 ft. for triaxles. Heights of sides and ends are variable to suit individual customer requirements.

Body can also be made from aluminum to gain additional savings in weight.

Manitoba Will Lure Firms In Canada, Midwest U. S.

From Our Own Correspondent

WINNIPEG — Manitoba has its sights on 1,800 firms in Eastern Canada and the U. S. Midwest which might be lured to locate in the province.

The canvass is part of an ambitious program to hurry the province's annual manufacturing volume to a $1,000-million level.

It will give special attention to medium-sized and small firms with good credit ratings.

The province will appoint an industrial promotion officer to:

- **Travel through Canada and the U. S.** and acquaint them with opportunities in Manitoba.
- **Attempt to divert products and supplies** manufactured outside the province to firms within the province.
- **Help Manitoba firms** to get manufacturing rights in the U. S. and elsewhere.

Supported by government money community development corporations have been formed, or are in the process of being formed, in Portage la Prairie city, the rural municipalify of Portage la Prairie, and in Brandon, Souris, Minnedosa, Stonewall, Winkler, Morden and The Pas.

Community corporations can function as agencies for raising capital at the community level to help local industry. Some of them have already raised amounts up to $100,000.

$20 Gift Kits For Newly-Weds

A new advertising "gimmick" could mean a $20 gift kit for some 50,000 brides in the fall.

Some 37 Canadian newspapers will publish coupons offering brides-to-be the free kits if they fill in a coupon with their future address and the date when they will be in their new home to receive the gift.

The kits will contain between 20 and 35 products which the makers want to introduce to the new wives.

The scheme was devised by two young Toronto advertising men, Glen Wylie and Herb McCarthy, partners in **Wylie & Wiggins Co.**

ANNOUNCING

Important appointments in Canadian Industry, Finance, Business and Government.

Blue Crown Petroleums Ltd. (Calgary)—Dr. Gregory Poloynis, appointed president.

BP Canada Ltd. (Montreal)—John A. Ganas, appointed sales manager, Ontario division.

Burroughs Adding Machine of Canada (Toronto)—F. X. McCarthy, appointed manager.

Canadian Devonian Petroleums Ltd. (Regina)—Frederick W. Hill, appointed director.

Canadian Motor Lamp Co. (Windsor)—Robert M. Hodgson, appointed president and general manager; J. B. Macon, vice-president, finance; H. O. Kolbe, vice-president, manufacturing.

F. Perkins (Canada) Ltd. (Toronto)—Peter Allan, appointed director and general manager.

H & C Equipment Co. (Toronto)—F. W. Moss, appointed managing director.

James Richardson & Sons (Winnipeg) — Sydney C. Stephens, appointed London (Eng.) representative; George Heywood, supervisor bond department (Western Canada); Peter Nares, resident manager, New York.

Lever Brothers Ltd. (Toronto)—J. C. Lockwood, appointed president.

McCann Erickson (Canada) Ltd. (Toronto)—W. R. Wright, appointed president; J. M. Reeve, executive vice-president; K. U. Lunny, manager, Montreal.

Merit Oil Co. (Calgary)—N. E. Tanner, Ronald H. Jenkins, John H. Teeter, appointed directors.

National Steel Car Corp. (Hamilton)—Jack Plumpton, appointed vice-president, finance.

Osler, Hammond & Nanton Ltd. (Vancouver)—W. Douglas Crowe, appointed assistant manager; Garry M. Savage, manager, Saskatoon.

Pulp & Paper Research Institute of Canada (Montreal) — B. W. Burgess, appointed secretary.

Polymer Corp. (Sarnia)—G. Bracewell, appointed comptroller.

Polymer Corp. (Sarnia, Ont. — G. Redlich, appointed manager, economics and development; D. J. Wormith, manager, planning and development; W. R. Carson, manager, operations analysis.

Rock City Sales Ltd. (Montreal)—J. H. Devlin, appointed executive vice-president.

Royal Metal Manufacturing Co. Galt)—R. Nixon, appointed general sales manager; C. W. A. Stager, assistant general sales manager; G. E. Gittings, advertising and sales promotion manager.

Royalite Metal Furniture Co. (Smith Falls)—R. P. McLean, appointed president.

Smith & Stone Ltd. (Toronto)—W. D. Scholfield, appointed general sales manager.

Steinberg's Ltd. (Montreal) — Leo Goldfarb, appointed director, development and expansion; Colin Rae, director, construction.

Sun Life Assurance Co. of Canada (Montreal)—F. K. Doody, appointed assistant vice-president, investments; Dr. J. G. Hellstrom, assistant medical director.

Zenith Electric Supply Ltd. (Toronto) — Ben R. Steen, appointed chairman; David S. Rattray, president; Archie Basen, vice-president and secretary.

Life Benefits Show Increase

During May, Canadians received more than $41.2 million in life insurance and annuity benefits from the more than 60 Canadian, U. K., U. S. and Netherlands life insurance companies operating in this country.

These payments brought the total paid in the first five months of the year to $206 million, $10.6 million more than paid in the like 1958 period.

Death benefits rose from $70.3 million in 1958 to $79.4 million so far this year, Canadian Life Insurance Officers Association reports.

Payments of matured endowments, cash values, disability benefits and annuities amounted to $85.7 million during the first five months of 1959, while policyholders received dividends of $41.2 million in the same period.

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50¢ for 2 ounces

Suggested Price. Plus provincial tax where applicable.

"Gas gives us speed for volume demands" . . . "We wouldn't cook with anything but Gas" . . . "Gives us exact temperature control for cooking and heating" . . . "We've modernized our whole hotel with Natural Gas, using it for cooking, water and space heating and air conditioning" . . . "No more sooty, dirty film on our restaurant's walls and furnishings. Everything stays cleaner, since we installed Natural Gas" . . . "The cleanest fuel we've ever used is Natural Gas" . . . "Gas saves us money two ways. It's cheaper to cook with, saves food wastage" . . . "Gas gives us all the hot water we need for dishwashing, temperature controlled, too" . . . "Over three thousand meals are served daily in our hospital. Every one is cooked to perfection, thanks to Gas".

This clear bright flame spells increased efficiency from coast to coast!

Across Canada, commercial establishments and institutions are discovering that Natural Gas is today's most modern fuel.

Restaurants, hotels, hospitals and other institutions have found that Natural Gas not only helps them turn out meals faster during peak load periods . . . it brings out all the goodness and appetizing appearance of the food as well. In any type of equipment . . . ranges, steam tables, broilers, bake ovens . . . Natural Gas helps produce better food faster . . . and with less food wastage.

Natural Gas is the most efficient fuel for water heating, too. Automatic controls enable selection of exact temperature for dishwashing and sterilizing. Gas furnaces and air conditioners are unsurpassed for economical space heating and cooling.

Natural Gas heat is *clean* heat . . . ends problems of dusty boiler rooms, smoky kitchen equipment, sooty or oily films on walls and furnishings . . . forever. And as cleaning costs are cut, profits rise.

The growing Gas Industry is helping firms across Canada by increasing efficiency, while cutting overheads. Write today, to the Canadian Gas Association, Toronto . . . and see how Natural Gas can help you in your business.

CANADIAN GAS ASSOCIATION

Natural Gas . . . working for you from coast to coast

The Thompsons: Supertest Pete And Super Boats

This family's bent for mechanical engineering built a bustling gasoline company. Now it may win for Canada a water speed championship . . .

By RODNEY TOUCHE

Because the Thompson family in London, Ont., likes mechanical engineering, Canada will this month challenge (successfully, some think) the world-wide, long-held supremacy of the U. S. in speedboat racing.

And from the same family interest has sprung **Supertest Petroleum Corp.**, which last month opened a new $800,000 head office in London.

Supertest now markets gasoline and petroleum products through a chain of more than 3,000 service stations in Ontario and Quebec. Some 60% are company-owned. It has 35,000 credit card holders.

This is an enterprise that has been built up almost entirely by one man, 65-year-old, Ontario-born J. Gordon Thompson, chairman and president.

And working with him is his 33-year-old son, James G. Thompson, now a vice-president and director.

The two men's interest in engineering has led them to own and race three speedboats since 1952.

The latest, the 30 ft. 8 in. Miss Supertest III, competes this month in the international race for the Harmsworth Trophy, in which U.S. dominance has driven out all other competing countries except one — Canada.

Miss Supertest III was completed last May at the Thompson's farm, Sunningdale, on the outskirts of London. It was designed by Thompson Jr. and built by local workmen.

THOMPSON JR.

The farmyard workshop, a converted barn, houses no less than six ex-Spitfire **Rolls-Royce** Griffon engines shipped in from England. Miss Supertest III is powered by 2,000 hp, has a top speed close to 180 mph.

In the same farmyard stand two antiquated Supertest gasoline pumps, a relic of Thompson Sr.'s early days.

Shy and slightly built, the elder Thompson began his business career more than 40 years ago when he set up with a vulcanizing machine to repair auto tires.

He formed **Canada Vulcanizer & Equipment Co.** which still operates in London.

Through his company he made and marketed his own design of gasoline pump, which was well enough built to be self-defeating. The pumps lasted so long that there was little repeat business.

"I wanted to be in a business that could go on growing, so I decided to sell the product that the pump used instead," Thompson recalls.

In 1921 he bought out a small company with gasoline storage facilities and called his new enterprise Supertest.

He thought of the name while watching a movie described as a "super feature". There was already a gasoline called Hi Test.

Today he is regarded as a pioneer of the service-giving service station, emphasizing repair facilities for motorists as well as gasoline and oil.

Supertest Corp. has grown up in this mould. (It now advertises: "Your gasoline free if we fail to wipe your windshield, check your oil.")

And it has become Canada's largest chain to exist without its own refining capacity. Supertest buys crude oil, contracts to have it refined. (Most of it is now refined by **Imperial Oil.**)

"We have found it to our advantage not to refine up to the present time," Thompson, Sr., told **FP**. "When you refine, you have to sell all you make. We pick and choose."

He admits that the company considered building a refinery as long ago as 1953. But the industry's current surplus of refining capacity was foreseen and it was decided to undertake oil exploration instead.

Production of crude oil last year contributed some 20% of the company's net profit of $1.3 million, Thompson estimates. It was the first year that this activity had made a substantial contribution.

Reserves at year end were estimated at more than three million bbl. and over 12 billion cu. ft. of gas. Company also has holdings in the Athabaska tar sands, which Thompson, Jr. looks on as a challenge to his ingenuity.

But the company expects to build a refinery eventually. Probable cost: $50 million.

"It won't be too many years before demand catches up with capacity. We will build then, probably close to the **Interprovincial Pipe Line,**" Thompson says.

Meanwhile, over-capacity is leading to price wars and while Supertest gains in some respects it is just as vulnerable as other oil companies in others.

"Our first quarter was ahead of last year but the second quarter will show some impact from the price war," Thompson reports.

The outlook? "If the price war grinds on, it's going to affect all companies," was the only comment he would venture.

Results this year will show for the first time the effect of merger with **Reliance Petroleum Corp.**, another Thompson-owned service station chain. Savings through operating economies are expected from this move.

J. GORDON THOMPSON (right) with Miss Supertest II, which captured the world's speed record for hydroplanes. Driver is Art Asbury.

Camp Gagetown Spending $3.5 Million in Maritimes

MONTREAL (Staff) — Purchases in the Atlantic Provinces for Camp Gagetown in 1958-59 were $3.5 million, up from $3 million in the previous year (**FP**, July 18).

General procurement expenditures in the region resulting from establishment of the camp were revealed by Minister of Defence Production Raymond O'Hurley.

Canada's largest military training centre, Gagetown is located in the heart of New Brunswick.

O'Hurley told the Commons last week figures do not include value of supplies which may have been purchased in the Atlantic Provinces for delivery to depots in central Canada and subsequently issued to the camp.

Biggest item was food — $1,113,783 last year against $1,261,695 in 1957-58.

Other major items: building materials, $861,877; fuel and fuel hauling, $574,240; sanitation services and supplies, $567,155; petroleum products, $203,368; laundry and dry cleaning, $68,507; mechanical transport spares and batteries, $60,033; vehicle repairs, $31,676.

Earlier in the Commons, Defence Minister G. R. Pearkes said construction costs have exceeded $100 million.

Heaviest capital expenditures were in 1955-56 ($30.6 million) and 1956-57 ($25.7 million).

In year ended Mar. 31, 1959, $8.1 million was spent on construction projects in the 427 sq. mi. camp.

Authorities see eventually a total construction bill of $150 million.

Jamaica Dangles Tax Lure Before Typewriter Firms

Manufacturers of typewriters and typewriter carrying cases can now get income tax and duty concessions if they open plants in Jamaica.

Requests from Canadian and European manufacturers prompted the Jamaican government concessions.

Raw materials for export manufacturing are admitted to the island duty free regardless of source.

Exports from the island receive preferential tariff treatment in the Commonwealth.

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FP-258

ANNOUNCEMENT

McCANN-ERICKSON EXECUTIVE APPOINTMENTS

W. R. WRIGHT

J. M. REEVE

K. U. LUNNY

The appointments of W. R. Wright as president, J. M. Reeve as executive vice-president and K. U. Lunny as manager of the Montreal office of McCann-Erickson (Canada) Limited were announced today by Donald B. Armstrong, Jr., Chairman of the Board.

Mr. Wright who was formerly director of public relations, Canadian National Railways, succeeds the late Evan W. Hayter, president of McCann-Erickson (Canada) Limited since 1952. Mr. Reeve was formerly manager of the Montreal office of McCann-Erickson and Mr. Lunny was assistant manager.

Mr. Wright is a native of Montreal and a graduate of McGill University. With the Canadian National Railways he has directed one of Canada's largest advertising and public relations activities. He joined the CNR early in 1954 as special assistant to the president and in October, 1954, was appointed director of public relations and advertising.

He is a member of the Canadian Public Relations Society; Canadian Tourist Association; Public Relations Society of America; Railroad Public Relations Association; Association of Railroad Managers; Advertising and Sales Executives Club, Montreal; Rideau Club, Ottawa; Naval Officers Club, and Sir Arthur Currie Branch, Canadian Legion, Montreal. During the war Mr. Wright was a Lieutenant Commander in the Royal Canadian Navy and a winner of the Distinguished Service Cross.

Mr. Wright will take office October 1, 1959, and will direct the operations of McCann-Erickson's offices in Toronto, Montreal and Vancouver.

Mr. Reeve has been vice-president and manager of the Montreal office of McCann-Erickson since 1957. During the previous six years he was advertising and sales promotion manager of Kraft Foods Ltd. Prior to that was for five years with the Montreal and Winnipeg offices of McKim Advertising Ltd.

Mr. Lunny, newly appointed manager of the Montreal office, is a graduate of McGill University and was formerly Canadian Manager of Donahue & Coe, advertising agency. He has had extensive creative experience with several Montreal Agencies.

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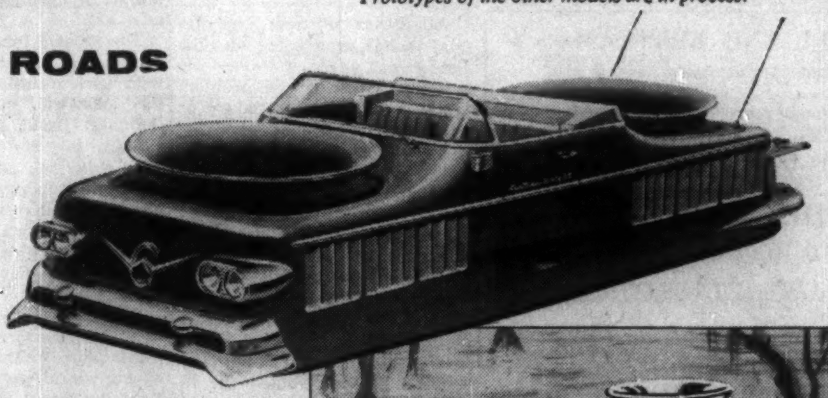
AIR-CAR PROVIDES LOW COST TRANSPORTATION VIA AIR-MOBILES, AIR-TRUCKS AND AIR-BUSSES WITHOUT EXPENSIVE PAVED ROADS

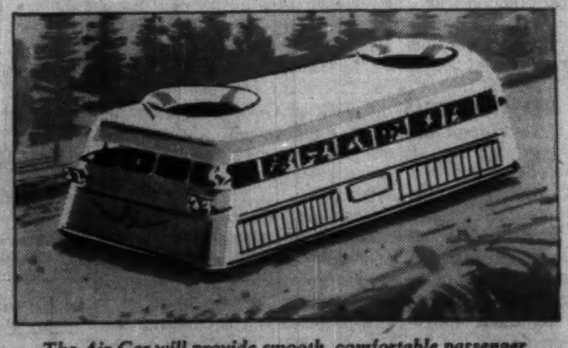
The world can now have the finest, smoothest transportation at new low costs. Highways for Air-Cars, to carry passengers and freight, can be built for as low as $500 per mile.



Production of this 300 horsepower Model 2500 Air-Car will begin at the South Bend Division of Curtiss-Wright in November. Model 2500 is now available for demonstrations at Caldwell, New Jersey. Prototypes of the other models are in process.

The Air-Car will travel over any terrain that has been cleared of large obstacles with a scraper.

The Air-Car requires no bridges — it travels equally well over land, water, mud or swamps.

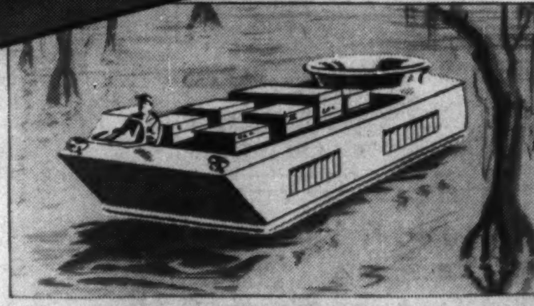


The Air-Car will provide smooth, comfortable passenger transportation in an "Air-Bus" version.

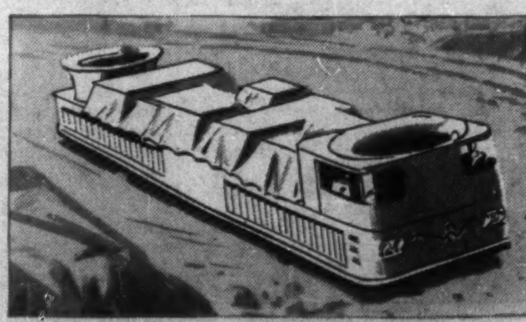
The Air-Car travels on a cushion of low pressure low velocity air, at a height of 6 to 12 inches, over land, water, swamps or mud. It requires no expensive paved surfaces — no bridges. It can travel at speeds up to 60 miles per hour over any terrain that has been cleared of large obstructions with a scraper.

Curtiss-Wright is prepared now to provide this complete, economical transportation system, including treatment of the roadway surface with Curtiss-Wright coal-based road paving binder for surface stabilization and dust control. Curtiss-Wright will also enter into agreements with qualified companies to develop such transportation systems.

To demonstrate the use of the Air-Car over this new, economical type highway, Curtiss-Wright is presently setting up a 25-mile road at the 300 square mile Curtiss-Wright test area east of Reno, Nevada, where the Air-Car can be shown in operation over mountainous and desert terrain, at altitudes up to 7,000 feet. The demonstration roadway will be used to show how an Air-Car transportation system can be set up at low cost. This vehicle is the result of the unique and integrated engineering and production capacities of Curtiss-Wright in the fields of metallurgy, plastics, aerodynamics, electronics and propulsion systems. Air-Cars will be manufactured in Canada by Canadian Curtiss-Wright, Limited.



The Air-Car "Pickup" will carry up to 2,500 pounds of freight over any unobstructed terrain or across water and swamps.



Curtiss-Wright has in process freight carrying Air-Car "Trucks" for payloads up to 7,500 pounds.

FOR FURTHER INFORMATION ON THE AIR-CAR, AND ITS USE ON THE NEW, LOW COST TYPE HIGHWAY CONSTRUCTION, WRITE:
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THIS MAN SAYS:

Make Mortgages Attractive As Investment Opportunity

"We should develop a free enterprise type of market to trade in home mortgage certificates. More money would flow and the investors would not feel locked in . . ."

By J. L. WHITNEY

How can we make the ordinary home mortgage more attractive as an investment opportunity for both individuals and companies?

It is a question which has been receiving a great deal of consideration in many quarters, including the housing industry itself, the financial community and government.

In the discussion of the recent amendments to Bill C-28 amending the National Housing Act 1954, this problem again came to the front.

The amendments proposed to give **Central Mortgage & Housing Corp.** power to buy and sell insured loans, to increase the insurance feature of the loan from 98% to 100%, and also to allow Central Mortgage to advance up to $1,000 million out of the Consolidated Revenue Fund for mortgage purposes.

Again, much has been heard concerning the establishment of a mortgage market, so that by improving the fluidity of the mortgage investment, more money would venture into that type of security and the investor not feel locked in.

J. L. Whitney, secretary and general counsel of **Dominion Life Assurance Co.,** *Waterloo, Ont., is a graduate of McMaster University in Political Economy (1934), and of Osgoode Hall. He was Mayor of Waterloo, 1956-1957.*

In other words, if the mortgage investment could be made as volatile, or nearly so, as the bond, more investors would be attracted to it and a new source of money supply for housing mortgage demands would come into being.

The National House Builder's Association have gone on record as favoring this idea (**FP**, Feb. 21).

All this is not new. The discussion has been going on now for several years.

The solution to the problem rests in finding a procedure or device:

1—to offer a workable method by which individual investment funds may be committed to the housing mortgage field.

2—to attract funds from the non-mortgage section of financial institution portfolios, and

3—to attract foreign funds into the Canadian housing investment field.

All the difficulties to the easy solution of the problem lie in the very character and nature of the mortgage itself as a vehicle of investment.

- The mortgage security is a complicated form of investment.
- Dealings with it require negotiations to be carried on through a law office.
- It is a security which the owner has to actively manage—make collections on it, bank the payments, issue receipts, call on arrears, threaten with lawyers' letters, see lawyer about realizing on security when default occurs.
- It is only a certain class of skilled investor who develops any real familiarity with the form of investment. Others have to seek professional advice.
- It is a form of security peculiarly susceptible to debt moratorium laws.
- An individual who can buy a hundred ordinary-conventional-type mortgages has his possibility of loss spread out over a hundred different properties, whereas the individual setting out to buy one mortgage in the market concentrates his risk on one property and one debtor. He does not have the protection of "averaging".
- Even the 100% guaranteed against loss, NHA mortgage as an investment for individuals will have to prove itself, because the individual will feel that there are many difficulties in the procedure of dealing with a government-controlled corporation in the event the mortgage goes into default and a sale back to the mortgage corporation has to be effected.

When one considers the position of the financial institution, it is an open secret that the guaranteed NHA mortgage is more work to acquire and put on the books than an ordinary mortgage, and that the net return on a 6% interest basis is unattractive to those administering policyholders' funds.

It is also true that that section of investment portfolio of such institutions is pretty well used up, and from now on will only come into the operation to replace paid-off mortgages and re-lend or lend out again payments received on the NHA mortgages presently on the books.

All this has to do with the difficulties arising out of the very nature and character of the investment itself.

To get over these difficulties no doubt guarantees will help: no doubt the giving of power to CMHC to buy and sell such mortgages is a **positive** attempt to get an **improved** result.

But what we really want to accomplish is this:

▶ **We want to develop** a free enterprise type of mortgage market throughout Canada, where a mortgage can be bought and sold like a bond, where quotations can be made for buying and selling from day to day, in this or that area, as quotations are promptly given in connection with stocks and bonds.

▶ **We want to offer to the individual,** and that is all individuals throughout Canada, a medium of investment with housing as the real security behind an investment document as easily handled, traded and understood by the individual as is a bond or stock.

▶ **We want to offer all investment** institutions, pension funds, etc., a form of security which will draw funds from the non-mortgage section of their investment portfolios and have those funds find their way into financing housing units in Canada.

The present form of mortgage investment is so complicated with such questions as finder's fee, appraisal, inspection, title searches, taxes, fire insurance clauses, lawyers certificates of title, collection problems, dribbling repayments of principal not easily reinvested, and so on, that the individual can never be expected, with ease, to take to this type of investment in its present form.

Nor has anyone ever suggested that a new form of mortgage transaction might be devised which would give the investment document the readily acceptable character of the bond.

The answer then, is not to trade in the mortgage itself, but to trade in some certificate or debenture in lieu of the mortgage, and to remove all the problems of administration from the hands or the need of action by individuals, and have all that done at a central point on a mass production basis, by people with highly skilled know-how.

All this can be done at a calculable cost.

The question is, which is the best manner of establishing the agency and procedure for accomplishing these ends?

It is suggested now that the time is ripe for the establishment of a national mortgage bank, not in any way government-controlled.

It would be owned and directed by its shareholders and mortgage debenture certificate holders, with the right to declare dividends to its shareholders and bonus dividends to its mortgage debenture certificate holders.

Such a bank would have offices in all the principal and large cities throughout Canada.

It would establish two funds:

1—mortgage trust holding, which would include National Housing guaranteed mortgages only, and

2—another mortgage trust holding, including conventional mortgages.

Such a bank could freely and competitively buy and sell mortgages in the open market.

Principally, however, when it purchased mortgages, it would be to hold, administer and collect on the same, using the most highly skilled methods of machine accounting and control.

It could purchase mortgages from day to day at a price to be determined by what it could sell its mortgage trust certificates in the open market for at that particular time, and less the cost of legal, appraisal and servicing costs of acquiring the mortgage.

And in the case of conventional mortgages, a small additional charge to be put into a special loss reserve on such conventional mortgages, in order to increase the desirability and salability of mortgage trust certificates.

Such a national bank could freely purchase mortgages from CMHC; either sell mortgages or mortgage trust certificates in lieu of mortgages, in both Canadian and foreign markets. It could act as administrative agents for those who wish to purchase the actual mortgages.

The Government could easily inject funds into the housing mortgage picture by purchase of mortgage trust certificates or debentures from the bank at the going rate, and the mortgage bank could negotiate purchases from institutions to deplete the holdings of those institutions and put them in funds for further lending. This would all be on a free enterprise competitive basis.

Sale by an individual of a $10,000, 7% interest bearing mortgage to the bank would work like this.

The individual would attend at the bank with all mortgage documents, advising that he would like to sell the mortgage to the bank in return for trust debenture certificate with coupons.

The bank would quote for the mortgage, provided, let us say, the interest rate on the mortgage was the top going rate on mortgages of that kind at the time, $10,000 less legal costs, title search costs, a normal overhead charge of the bank for acquiring and establishing the mortgage security on its books, a nominal charge to be transferred to loss reserve, and finally, at what price, with a 6½% coupon, the bank could issue that day its trust debenture certificate for the balance.

The coupon on the debenture certificate would be 6½% to allow ½% for administration cost and small profit margin of administering the mortgage investment to maturity.

This will be seen to be a method of translating directly a non-volatile mortgage security into a tradable debenture with coupons.

While it is true that powers will have to be given to lending institutions to allow them to invest in these mortgage trust certificates or debentures, **all that is necessary is an amendment to the National Housing Act** to give power to life insurance companies to purchase that form of investment.

Initial steps would have to be taken to give such a national mortgage bank sufficient substance and stability to make its securities, from the point of view of measure of risk, something quite different from the risk under direct mortgage.

This could be done by giving the bank initially suitable reserve and a realistic profit margin on operation.

As the reserve for losses fund grows (and this is something which individual financial institutions do not maintain), a new and novel guarantee will exist behind the mortgage trust certificate. With large volume, this loss reserve fund could develop substantially in a very few years.

This is not the type of mortgage banking or mortgage investment banking which should be under the control of a Crown corporation.

This type of operation belongs under private control, a chartered bank in a highly specialized form of investment practice, reducing the cost of administration so as to provide a highly stabilized and competitive exchange for the quoting on, and the purchase and sale of, housing mortgages.

If some do question the advisability of a Crown corporation entering into the field of buying and selling in large blocks (NHA guaranteed mortgages), it is because this is an "open" market operation which should be made subject to the usual bargaining procedures—the supply and demand influences—of free enterprise.

The quotations should be posted and known from day to day to all, where, on the quotation on any day offered by the bank on sale of its certificates or debentures, it will have further funds to inject into the housing mortgage lending field on a basis reflecting a small operating profit to itself.

This is delicately balanced, yet sound investment business.

The bank's main consideration would be to induce capital funds of individuals, of corporate investors, of foreign investors to commit more funds to the Canadian housing mortgage field in the great era of Canadian expansion—funds so sorely needed — and on large volume to work on a narrow margin of mark-up to the best advantage of mortgagors, investors, and its shareholders.

Is it enough that a few isolated sales of blocks of mortgages are engineered?

It is an aid, to be sure, but it will not result in the buyers of those blocks finding any new continuing sources of mortgage funds.

Term 29 Will be Key Issue For Newfoundland's Voters

From Our Own Correspondent

ST. JOHN'S — Against a confused background of bitter controversy with the Federal Government, Premier Joseph Smallwood is calling a quick provincial election for Thursday, Aug. 20.

His aim: To confirm a solid front in his heated battle with Ottawa over Term 29, the financial cornerstone of the Canada-Newfoundland Union.

It will be a short but unique election campaign — unique in that purely provincial issues will be all but ignored. The emphasis will be on relations with Ottawa and basis of aid to Newfoundland after 1962.

The present legislature—31st in the history of Newfoundland and third in the exciting 10 years since Confederation—was elected Oct. 2, 1956, for five years.

Smallwood is going to the people at a time when even the slim, four-man Opposition is divided and many Newfoundlanders claim mainland Canadians do not appreciate the island's problems or its contribution to Union.

Two outspoken members of the Opposition, James D. Higgins and A. M. Duffy, defected from the Progressive Conservatives and have formed the Newfoundland Party.

These men voted with the Liberals in favor of Smallwood's resolution condemning the Federal Government's handling of Term 29.

Only members to oppose the resolution this week were Malcolm Hollett, leader of the Opposition, and Rex Renouf, member for St. John's South.

Progressive Conservatives likely will base their campaign on the promise that Newfoundland will get a better deal from the Federal Government after 1962.

The Liberal stand is that in its interpretation of Term 29 the Federal Government has in effect renounced its signed obligation to pay special assistance toward provincial public services.

Smallwood also will be seeking ballot box approval of his government's position in the woods strike and subsequent controversial labor legislation.

Newfoundland decertified the International Woodworkers of America and Smallwood helped organize the independent Newfoundland Brotherhood of Woodsworkers which now has signed contracts covering loggers.

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Rising Demand in Most Markets Brightens Aluminium's Outlook

- *Company reports a 25% sales gain in second quarter . . .*
- *MacMillan & Bloedel awaits approval of merger . . .*

By NESTOR

ALUMINIUM LTD.'s second quarter sales and earnings are expected to show substantial improvement over those attained in the first quarter. Demand has increased in almost all markets.

Nathanael V. Davis, president, said recently company's second quarter aluminum shipments should be about 25% greater than those in the preceding three months.

He noted the gradual but continued improvement in sales from company's own fabricating plants (to a record in 1958) and the steady increase in sales of primary aluminum to independent customers.

"The result has been that despite the drop in sales to other producers, company's shipments in the first quarter were within 3% of the first quarter of 1958. Sales of ingot to producers has fallen from 30% of total sales in the first quarter of 1958 to 10% of total sales in the first quarter of 1959," he said.

Some of the improvement in second quarter sales may be due to special, non-recurring factors.

It is believed some of the company's U. S. customers placed extra heavy orders during the quarter in anticipation of a price increase and the possibility of a strike against U. S. aluminum makers later this summer.

So far, the price increase has not materialized.

Primary producers, however, did withdraw freight allowances, thereby saving themselves money and increasing cost of the metal to the customer.

An aluminum strike in the U. S., slated to begin Aug. 1, was averted at least temporarily this week. Expiry date of existing contracts has been extended from July 31 to 30 days after settlement of the U. S. steel strike. Key issue is a wage increase.

A lengthy work stoppage in the U. S. undoubtedly would mean extra "windfall" business for Aluminium.

Labor contracts of Aluminium's subsidiary, **Aluminum Co. of Canada,** run through to the summer and fall of 1960.

Some observers note that settlement in the U. S., if accompanied by wage increases, might force an increase in U. S. aluminum prices. Such a move would undoubtedly help Aluminium.

Current U. S. price of aluminum is 24.7c lb., unchanged for nearly a year. Former price of 26c was dropped to 24c in April of last year. Increase of 7/10c put into effect in August brought prices to the current level.

Present U. S. aluminum production is running about 90% of capacity. This compares with the level of 65% at which Alcan is currently operating. Alcan's production rates were cut back (from just over 70%) to lower inventories at the start of the year.

Keeping pace with the expanding market for aluminum, in Canada, Alcan and **Chrysler Corp. of Canada** recently established a new firm — **Chryslum Ltd.** — which will produce and supply aluminum alloys for Chrysler auto plants both here and in the U. S.

The new firm will lease an aluminum smelter at Beauharnois, Que., from Alcan, which will operate the plant.

In the first quarter of 1959 Aluminium sales were $81.2 million. **Net profit was $2.3 million or 8c per common share.** Sales a year ago were $84.8 million and net profit $5.3 million, equivalent to 18c per share.

At recent market price of $36⅛, common stock is 44% above UV level ($25), could rise 38% before reaching OV level ($50). Price is 48.8 times 1958 earnings of 74c per share. Yield is 1.94% at indicated annual dividend rate of 70c per share. Price this year has ranged between a high of $37⅜, a low of $26⅛.

MACMILLAN & BLOEDEL operating results for the three months ended June 30, third quarter of its fiscal year, are expected to be disclosed next week.

Net profit for the six months ended March 31 totaled $6.5 million, or $1.23 per share. This compares with $6.3 million, or $1.19 per share, earned in the first nine months of the preceding year, reflecting the impact of the 12-week strike of pulp and paper workers in British Columbia.

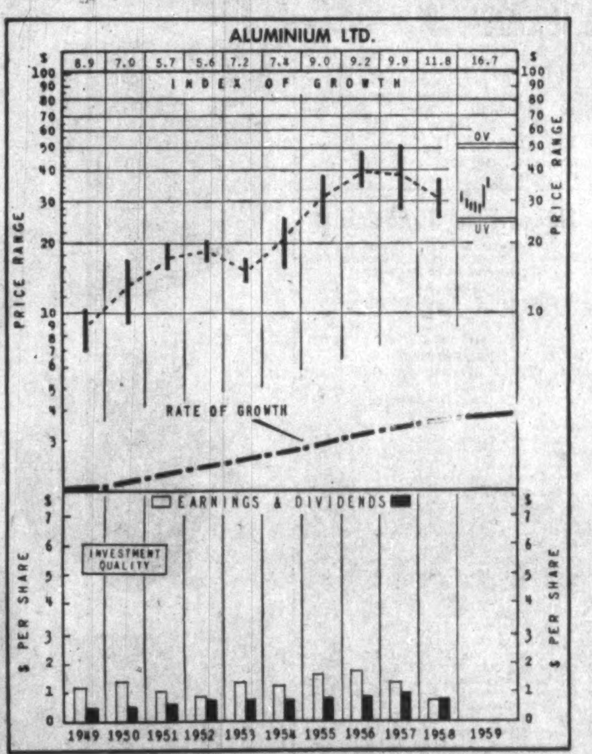
Earnings for the current fiscal year have been estimated by one investment house at approximately $2.70 per share. Effect of the current strike of woodworkers in British Columbia, if prolonged, is more likely to be seen in next year's operations.

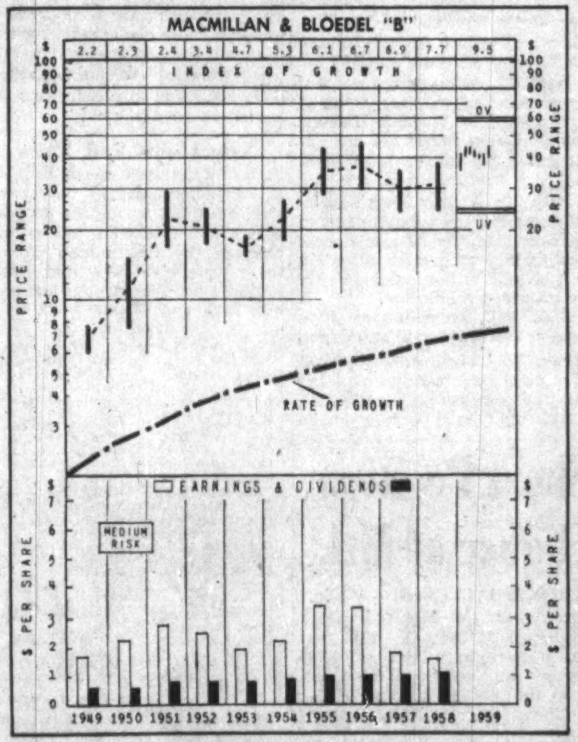
Meanwhile, outlook for the company's shareholders is dominated by the proposal for merger with **Powell River Co. (FP, July 4).** Merger has been approved by directors of both companies, but has yet to be approved by shareholders. A meeting is expected within the next six weeks.

Merger proposal calls for an increase in the outstanding capital of Powell River Co. from 4.2 million to 21.7 million. Powell River shareholders will receive two new shares for each one now held. MacMillan & Bloedel shareholders get seven new shares in the combined company for each three MacMillan & Bloedel shares now held.

The proposed equity interest in the new company of approximately 60% for MacMillan & Bloedel, 40% for Powell River, corresponds accurately with the relative contribution that the two companies have made in the past to total earnings.

At recent market price of $41, class B common stock is 71% above UV level ($24), could rise 41% before reaching OV level ($58). Price is 26.8 times 1958 earnings of $1.53 per share. Yield is 2.93% at indicated annual dividend rate of $1.20 per share. Price this year has ranged between a high of $45½, a low of $35¾.





How to Read Nestor's Special Stock Charts

INDEX OF GROWTH: The rate at which the value of the equity behind the stock is doubling as determined by the growth rate at which it entered the year. A figure of 5.6 for the present year would indicate that at its current growth rate the equity value is doubling every 5.6 years.

PRICE RANGE: The annual high low and mean price Monthly ranges for the current year.

UNDERVALUATION AND OVERVALUATION PRICE LEVELS. Shown by the narrow horizontal lines above and below the stock's price range indicating price at which the particular stock is adjusted as underestimating or overestimating its future rate of growth. A stock showing a fast growth rate will sometimes anticipate growth by two or three years. In this case it may not be so attractive a purchase relatively as some other fast-growing stock that is not anticipating its growth beyond the immediate present. Other factors such as rate of growth and investment quality will also enter into the comparison an investor will want to make.

Without these UV or OV levels a current quotation of, say, 55 or 75 would carry no significance regarding long-range value. The UV/OV levels also permit judgment as between one stock and another. They are not designated points of purchase or sale nor do they attempt to show what will be a stock's bottom or top figures in any given year.

RATE OF GROWTH: The rate as based on Nestor's tests at which the company is showing underlying or long-term growth. This will determine the price trend of the company's common stock over a period of years and in most instances the trend of dividend payments.

**Background and principles behind the selection by Nestor were discussed in a special article in FP, Jan. 10, 1953. A limited number of reprints are available on request.*

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G. R. Craddock, president, Astra Steel Structures, Hamilton, Ont., announces the election of Homer S. Marion, executive vice-president Ceramatal Industries Limited, to the board of directors. Astra Steel Structures are Ontario dealers for the Stran-Steel Corporation of Detroit, Mich., manufacturers of pre-engineered steel buildings for farm and industrial use. Mr. Marion was elected a director of the Ontario Chamber of Commerce at their last annual meeting and was recently appointed to the executive committee of the Ontario division of the Canadian Manufacturers' Association.

Market Comment

What stocks and bonds are doing and what prominent observers say

The current bull market continues to be pretty much of a U.S. affair. Never in stock market history has such a prolonged bull market south of the border had such little impact on Canadian stocks.

The normal U.S. buying interest in Canadian stocks is almost completely absent at the present time. To be sure the groups into which much of this buying went — mines and oil stocks — have now a somewhat depressed status.

The half-year progress reports of Canadian firms, now appearing, are generally showing healthy sales gains, as expected. But the earnings picture, so far, is much more spotty.

Take two major integrated oil companies, for instance. **Imperial Oil** has just reported a 3% decline in earnings on products sales gain of 10%. **British American Oil** on the other hand, has just reported a whopping 19% earnings jump on a product sales rise of only 6%.

• • •

W. J. NOXON; Charles H. Burgess & Co. (Toronto)

Whoever said this was a market in stocks rather than a stock market coined an apt phrase. **The boom looks somewhat phony to me** but it can't be said that speculative excess is predominantly a feature of the present market.

The market seems to be a New York affair and seems based not so much on current returns or earnings as on a distrust of the dollar. It could lead to an unhealthy situation, particularly if the bulls are disappointed in their rosy hopes. I think they will be and I look for considerably lower levels within 12 months.

There are still many undervalued stocks worthy of the investors' attention — be not only selective, but select the selections. Don't follow the leaders too far. Stow away some realized profits in bonds. We may be nearing the climax of a trend that has continued with several unimportant interruptions since 1942.

Periods of over-confidence in the stock market are almost invariably followed by periods of under-confidence — sell to eager buyers, buy from eager sellers; as a general rule, although not easy to folow, it usually works well.

• • •

D. J. LANGILL; W. C. Pitfield & Co. (Winnipeg)

While the economic recovery has enabled many Canadian companies to report higher sales in the first six months of this year, acute competition in both domestic and overseas markets has held down profit margins in many cases. As a result, earnings have not shown a corresponding rise.

Although these conditions appear likely to continue over the near-term, most Canadian common stocks are selling at historically high earnings multiples.

If earnings are not expected to show any marked increases over the next 12 months, **we can deduce that common stocks have been bid up to their current levels** by investors seeking to avoid the impact of inflation.

Genuine prosperity is now apparently being enjoyed in several European countries as a result of their firm stand against inflation.

This has been noted by several observers in Canada, and public opinion is reaching a point where the authorities may be emboldened to protect the purchasing power of the dollar with greater vigor.

If they succeed, the recent flight from fixed-income securities to common stocks will be reversed.

Investment sentiment can change awfully fast, **and it may be advisable to examine portfolios now to see if they have not become "unbalanced".**

Investors cannot expect to achieve capital gains every year, and the next 12 months might be a good period to concentrate on protecting past gains and on improving income.

• • •

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In contrast with the U.S. stock markets which have ignored any injurious implications of the steel strike and have preferred to take cognizance of much improved earnings reports over a wide range of industries, Canadian stock market action has been more selective and rather less impressive.

Bank stocks, reflecting the favorable combination of high interest rates and expanding loans have been among the best performers.

Loose talk of a change in the illogical but politically popular 6% maximum loaning rate may have sparked some of the action in their shares, but if interest rates remain high, bank shares have good earnings potential even though no change can be made in their maximum rate until 1964 except by special legislation.

The wave of enthusiasm for grocery chains seems to have run its course as the circumstances of rising competition and diminishing profit margins have been brought forcefully to the attention of the investor by earnings statements which report lagging profits despite record sales.

However, with prices now at more realistic levels some of these issues such as **Westons, Loblaw** and **Dominion Stores** are not unattractive for longer term holdings.

With the Energy Board legislation passed and appointments to be completed soon, it would seem inevitable that greater attention will be paid to the major units in the natural gas industry.

B. A. Oil, Trans-Canada Pipe and **Westcoast Transmission** should soon begin a long period of more or less steadily increasing sales and improving earnings.

Although the time may not be too far off when interest rates steady and a firmer bond market provides more competition for investment dollars, the strong upward trend of the stock market does not show any indication of having reached a peak.

Short Position Rises on TSE

Short positions on the Toronto Stock Exchange rose to 1,182,748 shares of 188 issues on July 15, compared with 1,134,880 shares of 199 issues on June 30.

Among the changes were:

Stock	Shares	Stock	Shares
Abacus	+5,500	Northspan	+3,300
Arcan	+4,300	Orchan	—4,300
C P R	+680	Pac. Pete	—1,000
C. Den. wts	+8,300	Radiore	—10,800
Consumers G.	+425	Sherritt	—500
Elder	+7,100	Stanrock	—2,000
Eldrich	+44,700	Steep Rock	+2,425
Irish Cop.	+3,100	Teck Hughes	+1,000
Jockey C.	—53,200	Tombill	+9,500
Jonsmith	+3,000	United Oil	+2,200
N. Mylmp.	+49,025	Weston A	—385
Nickel M & S	—11,000	Yale	—10,000

Here are the short positions in detail:

Stock	Shares	Stock	Shares
Abacus	10,000	Kilembe	300
Abitibi	700	Do Wts	500
Alberta Dist.	300	Labrador	400
Alberta Gas	200	Lake Dufault	1,500
Algom	500	Lake Wasa	2,500
Algoma Stl	350	Leitch	100
Aluminium	1,300	L L Lac	1,100
Anacon	500	Lorado Wts	2,000
Arcan	11,500	Macassa	100
Area	1,800	MacMillan B	125
Argus	200	Madsen	300
Asbestos	100	Magnet	2,500
Atlas Stl	350	Maritimes	400
Bankeno	500	Massey-Ferg	300
Barnat	10,000	Medallion	300
Basco Oil	500	Merrill Is.	2,000
Baska Uran	500	Midcon	1,500
Bethlehem	8,000	Mid-West Wts	3,000
Bibis	1,000	Milliken	6,300
Bouzan	1,000	Molson A	58
Bowater 5% pr.	25	Moore Corp	350
B. C. Elec 5% pr	110	National Drug	100
B. C. Forest	1,000	New C'tinental	500
Brunswick	1,100	New Dickenson	200
Buffalo Ank	200	New Hosco	29,000
Camp Chib	2,500	New Kelore	1,000
Can Cement	100	N. Mylamaq	369,800
Cdn Breweries	75	Nickel M & S	1,000
Cdn Curtiss W	200	Nickel Rim	300
Cdn Dyno	2,000	Noranda	1,000
Cdn Exp Gas	150	Nor Rankin	45,900
Cdn Nor'west	1,500	Nor Star 57 wts	25
C. P. R.	680	Northspan	35,600
Cdn Petrofina	500	Do Wts	2,000
Cdn West Oil	1,200	Opemiska	500
Can-Erin	176,500	Orchan	8,900
Can-Met	1,500	Pacific Pete	400
Do Wts	500	Pater Uran	500
Cassiar	400	Patino Wts.	500
Cent Del Rio	3,000	Pato	1,200
Chib Mng & S	1,000	Pend Oreille	100
Cochenour	2,200	Petrol	19,500
Cockshutt	200	Place	6,000
Coldstream	1,000	Placer	100
Cons Callinan	600	Provo	2,000
Cons Denison	12,175	Purdex	2,000
Do Wts.	61,850	Que Ascot	1,500
Cons Halliwell	2,000	Que Copper	500
Cons Mic Mac	500	Que Lithium	400
Cons Smelters	400	Radiore	51,700
Cons Mogul	3,600	Ranger Oil	400
Cons Morrison	3,000	Rayrock	1,000
Cons Mosher	2,300	Realm	2,000
Cons Paper	325	Rexspar	500
C. Sud Basin	3,000	Roe, A. V.	1,100
Consumers Gas	425	St Maur. Gas	2,600
Copper Rand	3,400	Salada	1,500
Corby Dist. B	400	Do Wts	1,905
Craigmont	1,000	Sapphire	4,300
Daering	500	Sherritt	500
D'Aragon	2,500	Silver Miller	2,500
Dom Found.	500	Simpsons	100
Dom Stores	50	Stand Paving	100
DuPont	75	Stanleigh	4,300
Dynamic Pete	900	Stanrock	1,000
East Malartic	600	Steel Can	130
East'n Metals	500	Steep Rock	10,650
Elder	15,700	Steinbergs A	75
Eldrich	44,700	Superior Prop	100
Falconbridge	600	Submarine	100
Faraday Wts.	11,000	Teck-Hughes	1,300
Fargo	1,000	Temagami	9,900
Frobisher	1,600	Texaco Can	25
Geco	1,000	Texas Calgary	500
Gen Develop	500	Thomp Lund	500
Giant Y'K	300	Tombill	24,100
Granduc	2,000	Tidal	1,000
G L Paper	475	Trad Fin A	275
G W Saddlery	3,000	Trans Can PL	725
Gtr Wpg Gas	3,300	Trans Mtn PL	2,750
Gunnar	2,000	Un Asbestos	13,600
Do Wts.	3,140	United Oil	5,200
Hollinger	300	Un Telefilms	3,300
Home Oil A	1,025	Upr Canada	1,000
Hud Bay Mng	625	Ventures	400
Imperial Oil	1,300	ViolaMac	100
Indust Accept	600	Walker G & W	100
Int Nickel	2,175	Westburne	500
Interprov P L	250	West Cdn Oil	1,000
Irish Copper	4,300	Weston A	25
Iron Bay	1,100	Willroy	1,800
Jacobus	12,400	Yale	1,500
Jockey C Wts	300	Young, H. G.	1,500
Jonsmith	3,000		

Short Position Higher at Mtl.

MONTREAL (Staff) — Short position on the Montreal Stock Exchange at July 15, 1959 was 10,770 shares in 24 issues, up 1,785 shares but down seven issues from the position at June 30.

Among the significant changes were:

Abitibi	—50	MacMillan B	+140
Atlas	+200	A. V. Roe	—100
Calgary Pow.	—25	Trans-Canada Pipe	—400
Foundation	+235	Webb & Knapp	+2,000
Dom. Stores	—50		
IAC	—50		

Short position on the Canadian Stock Exchange at July 15, 1959 was 80,375 shares in 29 issues, down 12,750 shares and five issues from the position at June 30.

Among the significant changes were:

Arcan	—500	New Hosco	—1,000
Bellechasse	—3,500	N. Mylmq.	—1,900
C. Denison	—200	New W. Amulet	—4,300
C. Halliwell	+1,500	Orchan	—1,100
Fleet	+400	S. Law. R.M.	—100
Jockey Club	—200		
Montgary	—300		

Here is the actual short position on the Montreal Stock Exchange at July 15.

Issue	Shares	Issue	Shares
Abitibi	[illegible]	Fraser	[illegible]
Acadia Sugar	[illegible]	Great Lakes	[illegible]
Algoma	[illegible]	Howard Smith	[illegible]
Aluminium	[illegible]	Int. Nickel	[illegible]
Atlas	[illegible]	MacMillan "B"	[illegible]
Brazil	[illegible]	[illegible]	[illegible]
B. C. Forest	[illegible]	[illegible]	[illegible]
Cdn. Br. Alum. "A"	[illegible]	Simpson's	[illegible]
Coghlin B. J.	[illegible]	Steinbergs "A"	[illegible]
Dom. Tar	[illegible]	Superior Prop.	[illegible]
Dom. Textile	[illegible]	Texaco	[illegible]
Foundation	[illegible]	Trans Can. Pipe	[illegible]
		Webb & Knapp	[illegible]

Here is the actual short position on the Canadian Stock Exchange at July 15.

Issue	Shares	Issue	Shares
Barnat	[illegible]	N. Mylmq.	[illegible]
Batemen Bay	[illegible]	New West Amulet	[illegible]
Bellechasse	[illegible]	[illegible]	[illegible]
Burnt Hill	[illegible]	N. Amer. R.M.	[illegible]
Campbell Chib	[illegible]	[illegible]	[illegible]
Cdn. Marconi	[illegible]	Opemiska Cop.	[illegible]
Cent. Del Rio	[illegible]	Orchan	[illegible]
C. Denison	[illegible]	Quebec Nat. Gas	[illegible]
C. Halliwell	[illegible]	[illegible]	[illegible]
C. Patino	[illegible]	Steep Rock	[illegible]
Fleet	[illegible]	[illegible]	[illegible]
Frobisher	[illegible]	[illegible]	[illegible]
Merrill Is.	[illegible]	[illegible]	[illegible]
Minn. & Ont. Paper	[illegible]	[illegible]	[illegible]
N. Formaque	[illegible]	[illegible]	[illegible]

Canadian Auto Production

	Week Ending July 25	Same Week 1958	Year To Date 1959	Year To Date 1958	% Change To Date
CARS					
General Motors:					
Buick	105	34	6,007	8,428	
Chevrolet	1,906	437	57,045	53,620	
Oldsmobile	264	56	10,765	9,934	
Pontiac	1,123	325	45,838	40,560	
	3,398	852	119,655	112,542	+6
Ford:					
Edsel	9	103	1,610	1,229	
Ford	1,288	1,361	35,841	35,801	
Mercury	96	235	4,373	3,926	
Meteor	816	569	22,944	16,480	
Monarch	91	...	3,547	...	
	2,270	2,268	68,315	57,436	+19
Chrysler:					
Chrysler	...	24	4,431	2,152	
Desoto	...	22	820	719	
Dodge	...	748	14,825	14,731	
Plymouth	...	422	11,650	13,489	
	...	1,216	31,726	31,091	+2
Studebaker-Packard:					
Studebaker	225	119	5,212	2,422	+115
Total cars	5,893	4,455	224,908	203,491	+10
TRUCKS					
General Motors	831	546	23,470	15,628	
Ford	422	467	11,419	10,404	
Chrysler	...	170	4,678	4,094	
International	305	228	8,957	6,380	
Total trucks	1,558	1,411	48,524	36,506	+33
Total cars, trucks	7,451	5,866	273,432	239,997	+14

Source: Canadian Automobile Chamber of Commerce.

B-A Earnings Rise 19.3%

British American Oil Co. earnings in the first half of 1959 showed a 19.3% increase over same period last year. Major factors in upturn were greater sales of crude oil, condensate, gas and gas products. Earnings totaled $8,396,000.

Volume of refined products sold rose 6.3% and crude oil processed by company's refineries increased 26.1% over same period last year. B-A's production of crude oil and condensate in Western Canada for the period increased 8.3% while sales of gas were 15 times those of the 1958 period.

Crude oil production in U. S. operations declined 3.5% in the first half of 1959. Earnings from U. S. operations decreased 16%, reflecting a decline in production and increased operating costs compared with the first six months of 1958.

The six-month earnings are not necessarily indicative of earnings for the balance of the year, company states. In the last half of each year there is usually a seasonal increase in product demand over the first six months.

Earnings do not reflect tax deduction credits transferred **from Canadian Gulf.** These will be taken into account at year end.

New Highs and Lows

During the week ended July 25, 51 new highs and 17 new lows were recorded among the general stocks on Canadian stock exchanges. In the mining group there were eight new highs and 37 new lows. Western oils had one new high and 29 new lows.

GENERAL

NEW HIGHS — 1959

Alta. Gas Tr.; Atlan. Accept.; Do. pref.; Auto Electric; Bk. Nova Scotia; Bk. Provinciale; Can. Perm. Mtg.; Cdn. Bk. Comm.; Cdn. Chem.; Cdn. Collieries; Do. pref.; Cdn. Cottons; Cdn. Dredge; Cdn. Food 4½% pf.; Cdn. Oil 8% pf.; Cdn. Wallpaper "B"; Comb. Enter.; Consumers Gas; R. L. Crain; Crown Cork; Dom. Dairies; Dom. Engineer.; Feralco; Gt. Lakes Pap.; Gt. Winn. Gas; Do. V.T.; Do. 1956 warr.; Do. 1958 warr.; Gurney Prod.; Indust. Accept.; Do. warr.; Inland Cem. Pf.; Inter. Nickel; Int. Util.; Invest Synd.; Do. "A"; Moore Corp. N.; Northwest Ind.; Orange Crush; Premier Steel; Prov. Transport; Que. Telephone; Royal Bank; Simpson; Stan. St. Stl.; Sup. Propane; Do. warr.; Tor. Dom. Bank; Union Gas; United Corp. "B"; West. Plywood "B"

NEW LOWS — 1959

Alaska Yuk. Pipe; Can. Malting; Credit Accept.; Dom. Coal Pref.; Dom. Corset; Imperial Life; Inter. Paints Pf.; Jefferson Lake; Jockey Club 5½% pf.; Do. 6% pf.; Loblaw Comp. "A"; Do. "B"; Mt. Royal Rice; Nat. Hosiery "B"; Nova Scotia Lt.; Pembina Pipe; United Principal

MINING

NEW HIGHS — 1959

Atlas Sulp.; Cons. Northland; Int. Nickel; Martin McN.; Opemisca; Pac. Nickel; Ryanor; St. Lawr. Riv.

NEW LOWS — 1959

Anglo Rouyn; Aumaque; Barymin; Beatrice; Bordulac; Brunswick; Cable; Cayzor; Chib. Copper; Chipman; Colomac; Cons. Bellekeno; Cons. Callinan; Cons. Sudbury; Cowichan; Cusco; D'Aragon; Decoursey B.; East Amphi.; Glenn Ur.; Grandroy; Hugh Pam; Int. Ceramic; Int. Ranwick; R. J. Jowsey; Leitch Gold; Mid-Chib.; Midrim; Nickel Rim; Nipissing; Opemiska Cop.; Pater; Que. Ascot; Rockwin; Territory; Un. New Fort.; Weedon

OILS

NEW HIGHS — 1959

East Cdn.

NEW LOWS — 1959

Amer. Leduc; Anchor; Anglo Am.; Asamera; Britalta; Calg. & Ed.; Calvert; Cdn. Homestead; Cdn. Williston; Cons. Mic Mac; Eastwood "A"; Fargo; French Pt. pf.; Kroy; Long Point G.; Mayfair; Merland; Midcon; New Bristol; New Spring; Northcal; Prairie; Scurry Rainbow; Tidal Pet.; Un. Canso. V.T.; Vandoo; Wespac; West. Leaseholds; West. Naco

RENABIE OUTPUT

During June, **Renabie Mines** produced gold bullion to the value of $94,640. Total of 16,348 tons were milled during the month with recovery averaging $5.79 per ton.

Mutual Funds

	Divd. pd. cents▲	Bid	Ask.
All-Can. Com. Fd.	14.52(29.37)	8.44	9.17
All-Can. Div. Fd.	18+1(24)	6.87	7.47
American Growth	5(28)	7.75	8.45
Assoc. Investors	16(33)	8.74	8.83
Can. Invest. Fund	27(34)	9.43	10.35
Canafund	70(125)	39.66	41.64
Champion Mut. Fund	10(20)	5.72	6.28
C'wealth Inter.	21(30)	8.69	9.55
Corporate Inv.	16½(34)	9.72	10.62
Diversified Inc. B	5.4(11.6)	4.30	4.75
Dom. Equity I.	20+12(40+12)	15.95	16.29
Dom. Comp. Fund	22.5	10.61	11.03
Do. nonres.	22.5	10.63	11.06
Dominion Funds	22.5	10.41	10.82
First Oil & Gas		4.56	5.98
Group Accum.		5.86	6.40
Grouped Inc. (n.)	14.2(20)	4.13	4.51
Growth Oil & Gas		...	...
Invest. Growth	(6.5)	6.65	7.19
Investor's Mut.	24(32)	12.03	13.01
Leverage Fund	6(17)	7.12	7.82
Mut. Acct. F.	12.27(23.42)	8.00	8.74
Mutual Bond		5.94	6.22
Mutual Income	12.95(22.73)	5.49	6.00
North American	9	9.33	10.14
Regent Fund Ltd.	(20)	6.03	6.83
Sav. & Inv. Mut.	13.5+1.5(17.5)	5.60	6.12
Sup'vised Amer.	6(12)	7.50	8.05
Sup'vised Executive (1955)		38.87	...
Sup'vised Executive (1956)		31.83	...
Sup'vised Executive (1957)		5.46	...
Sup'vised Executive (1958)		5.82	6.07
Sup'vised Gr'th Fund	(3)	1.90	2.04
Sup'vised Inc. Fund	8(17)	4.07	4.37
T.V. Electronics	16(■76½)	15.99	17.43
Timed Invest.	12(22)	5.90	6.37
Trans-Can. A	53.6(97)	31.70	...
Do. B		32.55	...
Do. C	8.4(20)	6.50	7.05
United Accum. Fund	12(23)	15.70	17.07

▲Paid or payable in 1959, total paid in 1958 in parentheses.

■Of which 43¾ cap. gains dist. in 1958.

Commodities

	Latest week	Previous week	Same week last yr.
Cattle	$25.50	$24.41	$23.00
Hogs	24.70	24.75	31.50
Copper, lb.	.30	.29½	.26½
Coffee, lb.	.36¾	.37¼	.46¾
Sugar, raw, lb.	.0585	.0575	.0580
Hides	.28½	.28½	.14½

Weekly Commodity Indices

Dow Jones Fut.♦	150.21	149.75	159.71
U. S. Labor	119.2	■119.4	119.3

Monthly Price Indices

	Latest month	Previous month	same month last yr.
Canada (D.B.S.):			
Retail C.P.I.* (June)	125.9	125.6	125.1
W'sale (May)	231.2	231.2	228.3
C. F'm Pr.* (May)	218.8	213.7	229.8
U. S. W'sale (Mar.)	119.6	119.5	119.7
Gt. Br. W'sale♦ (Mar.)	111.6	111.7	111.0

Base of price quotations is as follows: Cattle-Steers, good up to 1,000 lb., to price Toronto. Copper-electrotypes, New York. Coffee No. 4 Santos. Spot Raw Sugar 96 degrees centrifugal c.i.f.

*Base years 1947-49=100.

♦Base years 1924-26=100.

♦Base year 1954=100.

■Revised.

Record of Financing

Sales by Municipalities, Provincial and Dominion Governments. Offerings of Corporations and Securities.

DOMINION

Government of Canada Treasury Bills—Due Oct. 16, 1959, and Jan. 15, 1960, $155,000,000. Issued July 17, 1959. Sold at $98.723 to yield 5.19% and $97.377 to yield 5.40%.

PROVINCIAL

City of New Westminster, B.C. (Guar. by Prov. of B. C.) — 5½% debentures, due July 15, 1962-81, $3,500,000. Issued July 15, 1959. Sold at $96.377 to A. E. Ames & Co. Ltd., Dominion Securities Corpn. Ltd., Wood, Gundy & Co. Ltd., Canadian Bank of Commerce and Royal Bank of Canada.

Province of Ontario — 5½% debentures, to mature Aug. 15, 1969, and 1979, $50,000,000. Dated Aug. 15, 1959. Offered at $100.00 and interest to yield 5.50% and $98.50 and interest to yield about 5.62% (no accrued interest in respect of debentures purchased and paid for on or before Aug. 17, 1959), by Wood, Gundy & Co. Ltd., McLeod, Young, Weir & Co. Ltd., A. E. Ames & Co. Ltd., Bell, Gouinlock & Co. Ltd., Dominion Securities Corpn. Ltd., Mills, Spence & Co. Ltd., Royal Securities Corpn. Ltd., Midland Securities Corpn. Ltd., Cochran, Murray & Co. Ltd., Harris & Partners Ltd., Burns Bros. & Denton Ltd., Dawson, Hannaford Ltd., Equitable Securities Canada Ltd., Gairdner & Co. Ltd., R. A. Daly & Co. Ltd., W. C. Pitfield & Co. Ltd., James Richardson & Sons, Bankers Bond Corpn. Ltd., Collier, Norris & Quinlan Ltd., Fry & Co. Ltd., Matthews & Co. Ltd., Anderson & Co. Ltd., J. L. Graham & Co. Ltd., Bartlett, Cayley & Co. Ltd., Brawley, Cathers & Co., Charles H. Burgess & Co., Flemming & Co. and Walwyn, Stodgell & Co. Ltd.

MUNICIPAL

Town of Fort St. John, B.C. — 5½% debentures, due June 1, 1960-69, $35,000. Issued June 30, 1959. Bought privately by A. E. Ames & Co. Ltd.

Town of Middleton, N.S. — 5½% debentures, due July 1, 1960-74, $72,000. Issued July 9, 1959. Sold at $97.23 to Cornell, Macgillivray Ltd. and Bank of Nova Scotia.

City of Cranbrook, B.C. — 5½% debentures, due July 2, 1960-69, $77,000. Issued July 13, 1959. Sold at $95.21 to James Richardson & Sons and The Imperial Bank.

Town of Orillia, Ont. — 6% debentures, due Aug. 15, 1960-79, $171,500. Issued July 14, 1959. Sold at $99.21 to Merrill, Lynch, Pierce, Fenner & Smith, Inc.

Saguenay Power Income Lower

MONTREAL (Staff)—First half net income of **Saguenay Power Co.** and subsidiaries was $701,123 ($805,540 in first half 1958).

Aluminium Ltd. owns 93.6% of the common stock.

Here is interim consolidated statement:

6 Mos. ended June 30:	$ 1959	$ 1958
Oper. revenue	6,341,303	6,330,156
Less: Oper. exp.	3,061,327	2,898,489
Taxes other than inc.	518,239	577,085
Depreciation	453,450	440,793
Add: Other income	122,096	140,333
Less: Int. on fund. debt	370,657	391,403
Amort. of contracts	409,171	409,171
Inc. taxes	949,432	948,008
Net income	701,123	805,540
Net per share	3.33	3.83

MAPLE LEAF MILLING CO. has issued 280 shares under company's employees' incentive stock option plan, raising number outstanding to 529,724.

Government Bonds

(Supplied by Investment Dealers' Assoc. of Canada)

July 28, 1959

%	Due	Bid	Asked
[illegible]			

Unlisted Industrials

(Compiled by McDonnell, Adams & Co. Ltd., Toronto.)

July 27, 1959

	Bid	Ask
Anglo Can. Tel. A	[illegible]	[illegible]
Arcan	[illegible]	[illegible]
British Newfoundland	[illegible]	[illegible]
Brinton Pete Carpet	[illegible]	[illegible]
British Mortgage & Trust	[illegible]	[illegible]
British American Assce.	[illegible]	[illegible]
Cdn. Admiral Corp.	[illegible]	[illegible]
Cdn. Canners B	[illegible]	[illegible]
Cdn. Corp. Management	[illegible]	[illegible]
Cdn. & Foreign Securities	10.00	....
Cdn. Gen. Insurance	....	625.00
Cawthra Apts.	52.00	....
Cent. Canada Inv's.	14.00	....
Commercial Life 20% paid	32.50	....
Commercial Finance	54.50	....
Concourse Bldg. v.t.	135.00	200.00
Copp Clark 6% pfd.	90.00	95.00
Crown Life Insurance	171.00	174.00
Debenture & Secs. 5% pfd.	85.00	....
Dom. Can. Gen. Insurance	71.00	....
Dom. Life	160.00	200.00
Dom. Linseed Oil units	3.00	4.00
Dover Industries	9.00	9.50
Do. 6% pfd.	9.75	10.25
Eastern Trust	28.00	29.50
Essex Packers common	2.00	....
Do. pfd.	30.00	....
Excelsior Life	165.00	....
Fruehauf Trailer warrants	2.50	....
Goderich Elevator	24.25	....
Granite Club	14.00	14.75
Gt. Brit. & Can. Inv. com.	23.00	24.00
Do. pfd.	92.00	95.00
Grest-West Life	351.00	356.00
Guar. N. Amer. fully pd.	330.00	360.00
Do. 20% pd.	93.00	....
Halifax Insurance	19.50	....
Halton & Peel Trust	13.00	....
Hart Battery (1957) units	3.00	4.00
Hees George $6 pfd.	41.00	....
Industrial Life	80.00	....
Industrial Mtge. & Trust	90.00	....
Ingersoll Machine 4% pfd.	80.00	....
Ingersoll Machine & Tool B	4.50	5.25
Jenkins Bros.	65.00	70.00
Lambton Loan	130.00	....
London Can. Inv. $3 pfd.	46.00	....
Do. A	41.00	....
London Life Insce.	200.00	204.00
Lord Simcoe Hotel "A"	1.20	1.40
McCarthy Milling A	3.00	....
*Manufacturers Life	252.00	....
†Do.	242.00	....
Maritime Life	120.00	....
Meadowvale Development	3.75	4.15
Monarch Life	70.00	76.00
Mindustrial Corp.	1.20	1.40
Morrison Brass	1.30	1.50
Mutual Finance Corp. pfd.	.75	....
Nat. Life 100% pd.	525.00	550.00
Park Lawn Cemetery	2.00	2.35
Pembroke Electric Light	80.00	....
Phillips Electrical	7.25	....
Prairie Royalty Trusts	1.75	....
Prudential Trust	21.00	....
Scott Misener Steamships	14.25	15.00
S.K.D. Mfg. 6% pfd.	6.75	....
Sovereign Life 25% pd.	217.00	230.00
Standard Fuel pfd.	36.00	....
Steelman Gas	4.00	4.75
Teleflex Ltd.	31.50	33.00
Tor. & London Invests.	2.50	2.80
Tor. Medical Arts Bldg.	71.00	74.00
Trans-Canada Freezers	6.00	6.75
Do. warrants	.70	....
Transportation Bldg. Mont.	9.00	....
Triarch Corp.	112.00	115.00
Universal Cooler 6% pfd.	53.00	....
Do. B pfd.	2.25	....
Waterloo Mfg.	9.00	10.50
Waterloo Trust	44.00	....
Westcoast Transmission	18.00	18.50
Western Assurance	85.00	88.00
Western Life 25% pd.	90.00	....

*Pledged for sale to company.

†Unpledged free shares.

Municipal Bonds

July 28, 1959

[illegible]					
Winnipeg	3	'69	79	81	5.50

Gold Bars Quoted

Rate Reported by Doherty, Roadhouse & Co., Toronto.

Canadian kilo bars of gold approximately 32 oz. each.

July 28, 1959

	Bid	Asked
	—per oz.—	
Latest week	$33.71	$33.90
Previous week	$33.70	$33.80

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AIRLINE APPOINTMENT

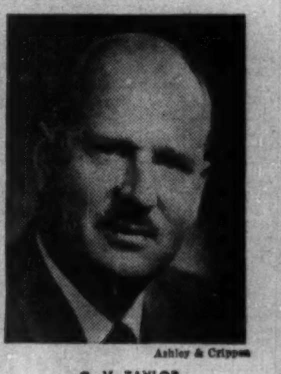
Ronald N. Bassett, has been appointed manager of **American Airlines'** new regional sales office in Montreal. The new office is at 4824 Cote des Neiges Rd.

ANNOUNCEMENT

CONTINUED EXPANSION AT STANDARD WIRE AND CABLE

Ashley & Crippen

G. W. VOGAN



Ashley & Crippen

G. V. TAYLOR

Expansion plans at Standard Wire and Cable Limited have prompted creation of two new vice-presidencies. Standard president Edmund S. Rose announces the appointment of Geo. W. Vogan Vice-president in charge of sales and Geo. V. Taylor Vice-President of manufacturing operations.

Both Mr. Taylor and Mr. Vogan joined Standard Wire and Cable Limited at the time of the company's founding and have played essential roles in establishing Standard's position as an important producer of wire and cable for the public utility and construction industries.

Mr. Vogan has acquired intimate knowledge of Canada's wire and cable market throughout a 24 year wire sales career. He is well known in the industry from coast to coast.

Mr. Taylor's wire manufacturing background extends over 20 years. In his career he has established a reputation for original design of wire and cable products and of special-purpose cable making machinery as well. He originated certain cables in common use today.

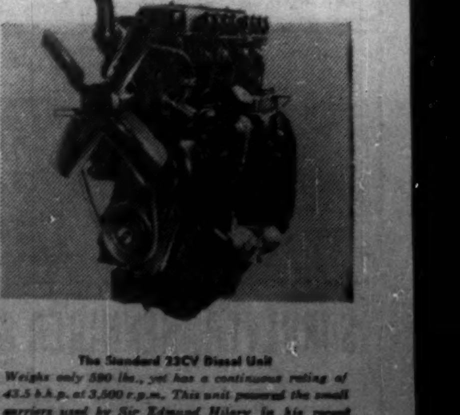
Standard Wire and Cable Ltd., 70 Wingold Ave., Toronto 19, Ont.

Canadian Broomwade Compressor, in widespread service with the Canadian National Railways. These compressors are supplied with the option of Standard 87 mm. Gasoline Unit shown or the 23CV Diesel Unit illustrated below

LOW COST, HIGH PERFORMANCE INDUSTRIAL UNITS BY STANDARD

are powering every type of Canadian industrial equipment

Standard's Industrial Power Units have been chosen for so many widely varying industrial applications because of their low initial cost, minimum maintenance costs and optimum performance characteristics. A high output in proportion to weight and fuel consumption makes them especially suitable in applications calling for mobile power units. Standard manufacture a series of engines both diesel and gasoline, with outputs varying from 18.0 b.h.p. to 85.0 b.h.p. You are invited to write or 'phone the Standard Industrial Division for full information and technical advice and assistance.



The Standard 23CV Diesel Unit

Weighs only 590 lbs., yet has a continuous rating of 43.5 b.h.p. at 3,500 r.p.m. This unit powered the small carriers used by Sir Edmund Hilary in his recent expedition across the South Pole.

STANDARD MOTOR CO. (CANADA) LTD.

Industrial Division

496 Evans Avenue, Etobicoke, Ontario Telephone CL 5-2386

DIVIDEND NOTICES

MACLEOD'S LIMITED

NOTICE is hereby given that the regular quarterly dividend of Thirty Cents (30c) per share on the 6% Cumulative Redeemable Participating First Preference Shares, Series A, of the Company has been declared payable 15th August, 1959, to Shareholders of record at the close of business on 31st July, 1959.

By Order of the Board.

J. W. TACKABERRY, Secretary.

Winnipeg, 20th July, 1959.

National Distillers and Chemical Corporation

INCREASED COMMON STOCK DIVIDEND

The Board of Directors has increased the regular quarterly dividend on the Common Stock from 25 cents to 30 cents a share. The first dividend at the new 30 cent rate has been declared payable on September 1, 1959 to stockholders of record on August 11, 1959. The transfer books will not close.

PAUL C. JAMESON
July 23, 1959 Treasurer

THE CANADIAN FAIRBANKS-MORSE COMPANY LIMITED

DIVIDEND NOTICE

The Board of Directors today declared the following dividends for the current quarter.

6% CUMULATIVE PREFERRED SHARES — dividend No. 173 at the quarterly rate of $1.50 per share payable October 15, 1959 to shareholders of record September 30, 1959.

NO PAR VALUE COMMON SHARES — dividend No. 138 at the quarterly rate of fifty cents per share payable September 1, 1959 to shareholders of record August 14, 1959.

By Order of the Board,

J. E. McQUILKIN, Vice-President—Finance

July 24, 1959

THE BOWATER CORPORATION OF NORTH AMERICA LIMITED

DIVIDEND NOTICE

NOTICE IS HEREBY GIVEN of the declaration of the following dividends payable October 1st, 1959 to shareholders of record September 5th, 1959

(1) Sixty-eight and three quarter cents (68¾c) per share on the 5½% Cumulative Redeemable Preferred Shares of the Corporation.

(2) Sixty-two and one half cents (62½c) per share on the 5% Cumulative Redeemable Preferred Shares of the Corporation

S. MANN Controller.

Montreal, Quebec. July 20th, 1959.

THE HAMILTON COTTON COMPANY, LIMITED

NOTICE OF DIVIDENDS

Notice is hereby given that the following dividends have been declared.

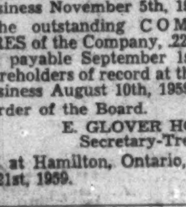
On the outstanding 5% CUMULATIVE REDEEMABLE PREFERRED SHARES of the Company, $1.25 per share, payable November 16th, 1959 to shareholders of record at the close of business November 5th, 1959.

On the outstanding COMMON SHARES of the Company, 22½c per share, payable September 1st, 1959 to shareholders of record at the close of business August 10th, 1959.

By Order of the Board.

E. GLOVER HOWE. Secretary-Treasurer.

Dated at Hamilton, Ontario, July 21st, 1959.



KELLY, DOUGLAS & COMPANY, LIMITED

VANCOUVER, B.C.

NOTICE IS HEREBY GIVEN that the Board of Directors has declared a dividend of 6¼¢ per share for the quarter ended August 31st, 1959 on all Cumulative Participating Class "A" Shares payable August 31st to the shareholders of record at close of business August 7th, 1959. Transfer books will not be closed.

By order of the Board

A. H. Pinkham, C.A. *Secretary-Treasurer.*

Dated at Vancouver, B.C. this 31st day of July, 1959.

Kilembe Mines Nears Capacity

Kilembe Mines, still battling technical difficulties, reports a net profit of $577,000 in the first half of 1959.

Parent company **Kilembe Copper Cobalt,** with a 70% interest, shares in $404,000 of the total.

Capacity in the new 500-ton milling unit was not reached until May, although installation was completed in January. The concentrate presented difficulties at the smelter. These are expected to be corrected in the second half, says President A. J. Anderson.

Reorganization of finances by Kilembe Copper resulted in retirement of $2,922,500 in funded debt.

Total of $164,655 came from exercise of rights offering and further funds came from **Frobisher Ltd.** through advances. Frobisher also picked up 941,215 shares of Kilembe Copper through exercise of warrants at $3 a share.

Three Canadian Degree Winners At Photo Meet

Three more Canadians have won Master Photographer degrees from Professional Photographers of America Inc.

They are: **Gerald Campbell** of Toronto, **Charles D. Phelan** of Kingston, and **Douglas Paisley** of Sarnia. Only four other active Canadian photographers hold the degree.

The awards were presented at mid-week at a dinner of the association in Los Angeles.

Campbell, Toronto studio photographer and partner in **Ashley & Crippen,** is known in the business field for his portraits of executives. He has booked 5,000 sittings in this category since 1950 and delivered around 30,000 prints.

ANNOUNCEMENT

LABATT'S APPOINTMENT

W. M. SMYTH

The appointment of W. M. Smyth as Director of Purchases of John Labatt Limited is announced by J. H. Moore, President. Mr. Smyth joined Labatt's in September 1955 and previously was Assistant Treasurer.

DIVIDEND NOTICES

ROBINSON, LITTLE & COMPANY, LIMITED

WINNIPEG — MANITOBA

CLASS "A" DIVIDEND NO. 51

NOTICE IS HEREBY GIVEN that a dividend of Twenty-five (25) cents a share has been declared on the Class "A" stock of the Company payable on the 1st September, 1959 to shareholders of record at the close of business on the 15th August, 1959.

By Order of the Board,

JACK L. MacDONALD, Secretary-Treasurer.

Winnipeg, Manitoba, July 23rd, 1959.

INTERPROVINCIAL PIPE LINE COMPANY

Notice to Shareholders

DIVIDEND No. 17

NOTICE is hereby given that a quarterly dividend of fifty cents per share in Canadian funds has been declared on the outstanding capital stock of Interprovincial Pipe Line Company, payable on September 1, 1959 to Shareholders of record at the close of business on August 7, 1959.

By Order of the Board,

Toronto, July 72, 1959. W. A. HARE, Secretary.

Public Service Electric and Gas Company

NEWARK, N. J.

QUARTERLY DIVIDENDS

The Board of Directors has declared the following dividends for the quarter ending September 30, 1959:

Class of Stock	Dividend Per Share
Cumulative Preferred	
4.08% Series	$1.02
4.18% Series	1.045
4.30% Series	1.075
5.05% Series	1.2625
$1.40 Dividend Preference Common	.35
Common	.45

All dividends are payable on or before September 30, 1959 to stockholders of record August 28, 1959.

J. IRVING KIBBE Secretary

PUBLIC SERVICE CROSSROADS OF THE EAST

Market Bid and Ask Quotations

Montreal & Toronto July 28, 1959

[illegible]

	Bid	Ask		Bid	Ask
Sou Can	59¾	62	Texaco C	72½	73½
xSth U	23	24	Do p	92½	92½
Spartan	460	495	xTho L	50	55
Do w	145	160	xThom P	295	300
xSpoon	15½	16	Thorncl	12½	12¾
xStdcona	10½	11½	xTiara	6	6½
St Bds	65½	66½	xTidal	85	88
St Pav	60	60½	Do wts	12	15
St Rad	16	17	TT C A	7½	8½
St Str Stl	17	17½	TT Tirs	15	18
xStanl	73	77	xTmbill	119	120
Do w	26	30	xTorbit	32	34

	Bid	Ask		Bid	Ask
xUpp C	110	115	xYan C	7	9
xVanad	265	340	xYellor	7	9
xVando	6½	8	xYk B	112	115
Vent	27	27¾	xYKn A	150	190
Viau Ltd	65	..	Do B	22	31
Vicroy A	6¾	7	xYoung	107	108
Do B	310	340	xYukno	5	7
V G Tr	40	43	Zellr 4½	45½	46½
xViolm	224	225	xZenmc	28	29
V Dar p	13¾	14½	xZulapa	21½	24
xWain	225	235	xZenith	265	275
xWaite	*40	650	xQuoted in cents.		

Grain Prices

Winnipeg Futures

Week to July 27, 1959

Crop year from Aug. 1, 1958 High	Low		High for Week	Low for Week	Close July 27
		Oats—			
.76½	.69½	July	.74½	.74¾	.74½
.77	.71	Oct.	.75	.74¾	.75
.74¼	.72¾	Dec.	.73¾	.73½	.73¾
.74¾	.74½	May	.74¾	.74½	.74¾
		Barley—			
1.03	.94	July	.94½	.94½	.94½
1.02¾	.95½	Oct.	.96½	.95¾	.96½
1.00¾	.94½	Dec.	.95	.94¾	.94¾
.95¾	.94¾	May	.95¾	.95½	.95¾
		Rye—			
1.17½	1.04¾	July	1.14½	1.13½	1.14½
1.16¾	1.05¾	Oct.	1.16¾	1.15	1.16
1.17½	1.10½	Dec.	1.17½	1.15¾	1.16½
1.20¾	1.19¾	May	1.20¾	1.19	1.19¾
		Flax—			
3.21¾	2.73½	July	3.21¾	3.04½	3.20¾
3.22	2.70	Oct.	3.22	3.04¾	3.19½
3.14½	2.80½	Dec.	3.14½	2.97½	3.12
3.18	2.93½	May	3.18	3.01	3.16½

Chicago Futures

Week to July 27, 1959

Crop year from Aug. 1, 1958 High	Low		High for Week	Low for Week	Close July 27
		Wheat—			
1.92¼	1.79¾	July	1.87¾	1.86¾	1.86½
1.98¼	1.81¾	Sept.	1.90¾	1.88¾	1.90½
1.98	1.79	Dec.	1.95¾	1.94	1.95¾
2.01¾	1.94½	Mar.	1.98¼	1.97	1.98¼
1.98¾	1.92¾	May	1.96¾	1.95½	1.96
1.83¾	1.76¾	July	1.82½	1.80	1.82
1.85¾	1.79½	Sept.	1.84½	1.82½	1.84½
		Corn—			
1.28¼	1.15½	July	1.28¼	1.23¾	1.28
1.24¾	1.13½	Sept.	1.20¾	1.18¾	1.19¾
1.16¾	1.11½	Dec.	1.15¼	1.13	1.13¾
1.20¾	1.16¾	Mar.	1.18¾	1.16¾	1.17½
1.21¾	1.18½	May	1.20¾	1.18½	1.18¾
		Oats (old)—			
.69	.60	July	.69	.65	.66
.67¾	.60½	Sept.	.67½	.66	.66¾
		Oats (new)—			
.69¾	.62	July	.69¼	.65	.66
.69	.63	Sept.	.68¾	.67½	.68½
.71½	.65½	Dec.	.70¾	.69½	.69½
.72½	.67½	Mar.	.71¾	.69¾	.68¾
.69¾	.68¾	May	.69¾	.68¾	.69
		Rye—			
1.31	1.15½	July	1.30	1.27½	1.29½
1.30	1.15½	Sept.	1.30¾	1.27¾	1.29¾
1.34¾	1.21	Dec.	1.34¾	1.31¾	1.33¾
1.36½	1.23½	Mar.	1.36½	1.32¾	1.34¾
1.33¾	1.32¾	May	1.33¾	1.32¾	1.33½
		Soybean—			
		July	2.25	2.19	2.22
		Sept.	2.23½	2.18¾	2.18¾
		Nov.	2.23½	2.19½	2.19¾
		Jan.	2.28	2.23	2.23
		Mar.	2.31	2.25¾	2.25¾
		May	2.32	2.28	2.28½

Winnipeg Cash

	High For Week July 27	Low	High Prev.	Low Week
Oats—				
2 C. W.	.75½	.75¾	.75¾	.75¾
3 C. W.	.73½	.73¾	.72½	.71¾
Barley—				
1 Feed	.90½	.90¾	.91½	.90½
2 Feed	.88½	.86¾	.90¾	.88½
1 Malt	1.00	.99¾	1.07	.99¾
Rye—				
1 C. W.	1.14½	1.13½	1.13¾	1.12
2 C. W.	1.14½	1.13½	1.13¾	1.12

Chicago Cash

	High For Week July 27	Low	High Prev.	Low Week
Corn—				
2 Yell.	1.28½	1.27½	1.26	1.25¾
Oats—				
1 H. W.	.72¾	.71½	.74	.71

Toronto Curb

	Bid	Ask		Bid	Ask
Andian	6	8	Du Pont	27	27½
A C	41¾	43	Do p	75	76
Ang-N	7½	7¾	Gaspe	26½	27
Asbest	33	33¾	Hayes	23½	28
B A B	48	53	I Pap	122½	125
xBulolo	425	450	Do p	..	90
CD Sug	19¾	20¾	I Util	35¾	36¾
C Vineg	38½	40	Lang p	45	

[illegible]

Calgary Oils

Quoted in cents

[illegible]

Canadian Stock Exchange

INDUSTRIAL

[illegible]

Unlisted Mines and Oils

(By Brokers Dealers' Assoc. of Ont.)

Approximate quotations, 3.30 p.m., July 27, subject to confirmation and change. An asterisk (*) indicates an increase in price; a dagger (†) a decrease in price.

	Bid	Ask		Bid	Ask
Kamlac	7	9	Westf'd	20	30
KB Mng	5½	7	W Wasa	6	7
Kendn P	1½	3	Y Davd	15	17
Kenog	7	9	**OILS**		
Langis	73	78	B C Oil	1275	1400
Laronge	3	4	Do vt	850	1000
Lrndona	3	5	C Delhi	†6¾	6¾
Laroma	3	5	C Sup	*1375	1625
Larum	6	8	GS Grs	28	29
L Expn	11	13	Harvest	34	37
Lake B	8	13	N Sup	150	160
Lassie	10	12	O Smky	1½	2½
Lun Ec	*36	38	Paige P	10	12
			P Dover	35	40

Company Meetings

Date	Company	Place
July 30	B.C. Packers Ltd.	Vancouver
July 30	New Superior Oils	Calgary
July 31	Asamera Oil Corp.	Calgary
July 31	Combined Metal M.	Toronto
Aug. 6	Can. Packers	Toronto
Aug. 6	Yukon Cons. G.	Toronto
Aug. 7	New Continental Oil	Calgary
Aug. 12	Neon Products of Can.	Vancouver
Aug. 15	Bunker Hill Ext.	Toronto
Aug. 20	Cdn. Wallpaper Mfrs.	Toronto
Aug. 20	Dom. & Anglo Invest. Corp.	Toronto
Sep. 8	Sheraton Corp.	Boston, Mass.

Bond Tenders

12 Noon, July 30, 1959, Government of Canada Treasury Bills — Payable Oct. 30, 1959, and Jan. 29, 1960, $135,000,000. Dated July 31, 1959.

Advances and Declines

Week Ended	Toronto Ups	Toronto Downs	Toronto No Change	Montreal Ups	Montreal Downs	Montreal No Change
June 12	281	484	184	114	157	108
June 19	217	523	192	93	188	116
June 26	279	471	175	98	181	137
July 3	421	242	174	145	112	111
July 10	402	333	172	170	119	89
July 17	274	411	204	125	134	111
July 24	310	384	186	132	123	100

Volume of Stock Sales

	Montreal	Toronto	Calgary	Vancouver	New York
July 27	298,800	2,056,000	39,980	65,892	4,110,000
July 24	302,200	1,568,000	27,359	117,805	3,850,000
July 23	379,600	1,661,000	38,736	118,193	4,390,000
July 22	429,800	1,826,000	41,771	338,230	4,880,000
July 21	602,800	1,864,000	82,500	146,977	4,130,000

Significant Investors' Index Numbers

No. of	Mach and equip.	Pulp and paper	Milling	Oils	Textiles and clothing	Food and allied prod.	Beverages	Bldg. mater.	Industrials	Banks	Total utilities	Total co's.
Securities	10	9	3	5	7	13	10	15	73	7	13	93
*1935 to date:												
High	947.5	1239.1	252.0	285.5	410.5	304.8	712.5	580.0	315.9	399.1	219.8	297.8
Low	68.5	51.6	59.7	40.9	77.7	72.4	79.3	68.7	56.1	68.4	64.5	60.6
1959 Monthly Figures:												
Jan.	690.9	1077.2	198.5	216.7	194.9	286.4	666.7	518.6	275.4	327.8	198.9	266.0
Feb.	674.4	1131.8	200.6	215.4	205.0	302.6	678.4	535.3	279.1	335.8	202.0	269.9
Mar.	682.7	1139.8	199.2	209.6	213.9	301.8	666.0	544.7	278.3	345.9	202.6	270.2
Apr.	668.2	1117.4	198.4	204.8	215.9	299.6	662.1	539.8	271.7	357.1	201.3	265.8
May	686.6	1109.8	211.0	200.0	215.4	292.0	670.6	526.6	271.5	370.4	204.3	267.2
1959 Weekly Figures:												
June 4	755.6	1100.0	229.9	193.0	222.0	283.9	670.2	536.6	273.2	382.5	204.4	269.5
June 11	772.8	1106.0	230.1	190.9	216.1	283.3	688.3	538.6	275.1	378.0	202.9	270.2
June 18	768.1	1120.1	229.0	188.8	219.6	276.9	678.9	537.4	273.3	378.6	200.7	268.9
June 25	809.1	1152.3	234.5	186.9	221.5	272.7	673.4	536.5	275.2	376.7	198.3	269.4
July 2	814.3	1158.4	235.8	192.2	225.6	272.2	678.1	562.4	280.9	376.8	200.5	274.1
July 9	825.6	1178.5	239.0	193.5	227.9	280.6	688.0	580.2	284.9	381.8	203.5	278.0
July 16	857.5	1177.9	246.0	191.8	227.3	275.3	710.6	578.5	287.3	384.4	203.2	280.0
July 23	847.2	1197.4	242.7	190.4	225.8	267.8	712.5	580.0	287.6	399.2	204.5	281.5

*High and low for year from 1935 to date inclusive are based on weekly figures used by the Dominion Bureau of Statistics.

TORONTO STOCK EXCHANGE INDEX

	20 Indust.	20 Golds	15 B.M.	15 W.O.
July 27	553.31	89.78	174.79	115.97
July 24	551.56	90.05	174.76	117.24
July 23	551.67	90.13	174.30	117.96
July 22	551.43	90.28	174.41	117.22
July 21	551.33	90.14	174.57	117.42
Month Ago	534.56	91.15	168.21	118.64
Year Ago	462.50	82.88	162.97	139.60
1959 High	553.31	95.13	192.15	145.22
1959 Low	514.90	83.78	167.79	115.97

MONTREAL STOCK EXCHANGE INDEX

	10 Util.	20 Indust.	30 Com.	10 Pprs	15 Golds
July 27	154.6	331.2	272.3	468.9	90.47
July 24	154.9	332.5	273.3	470.6	90.47
July 23	155.2	332.9	273.7	472.9	90.90
July 22	154.9	332.9	273.6	471.0	89.62
July 21	154.8	331.9	272.9	469.4	89.79
Mon. Ago	152.4	316.3	261.7	468.3	87.84
Year Ago	139.9	273.7	229.1	380.0	70.65
1959 High	162.1	334.4	274.4	494.8	92.77
1959 Low	148.9	297.6	248.0	433.0	83.81

DOW-JONES CLOSING STOCK AVERAGES

	30 Indust.	20 Rails	15 Util.	65 Stocks
July 27	669.08	167.71	89.68	222.16
July 24	663.72	167.69	89.63	221.05
July 23	664.63	168.09	89.63	221.35
July 22	664.38	167.89	89.58	221.22
July 21	661.48	167.00	89.41	220.30
Month Ago	643.06	168.18	86.62	215.70
Year Ago	502.81	131.80	79.64	173.82
1959 High	669.08	173.56	94.70	222.40
1959 Low	574.46	157.94	85.71	200.09

Unlisted Mines and Oils

(Compiled from quotations by G. E. Leslie & Co., Montreal) July 27, 1959

Stock	Bid	Offer	Stock	Bid	Offer
Absam	..	5	Main Oka	58	62
Aconic	40	50	Martin Bird	5	7
Do v.t.c.	35	40	Mattag'i L	4¾	5½
Arnora	1½	2½	Mattagami Ex.	14	16
Ass. Devp.	11	13	Murray M.	36	40
Atlas Chib	3	5	Monor	32	40
Bald Mtn.	9	11	Miller C.	9	12
Brosnan Chib.	10	20	Natl. Mal.	13	18
Belmont	6	10	Nipiron	13	17
Big Nell	15	25	Norbeau	60	70
Bracemac	8	10	Nth. Matt	20	25
Cdn. Jave.	14	14½	Oklend	5	7
Caprive O.	32	40	Pascalis	15	19
C. Vauze	80	90	Quedon	..	5
Dadson	17	22	Quejo	4	6
Dauphin	20	25	Rand Mal	4	6
Elwood Mng	5	8	Rivermede	..	30
Franksin	..	60	Roberval	46	56
Garland	4	6	Sheraton	43	48
Gibson	10	14	St. Jude	..	10
Glencona	¾	1½	St. Helen	48	54
Hastings	66	70	Scott Chib	2	4
Hull Iron	190	210	Selby Mng	4	6
Indep'dent	14	17	Starlight	3	5
Kenmac	2	4	Tarpoint	3	5
Lake Sup. Iron	20	30	Valmont	8	10
Lun. Echo	30	35	Wm. Leys	..	10
Lake Chib.	..	15	Yng. Dave	15	19

Options on Stock

Supplied by Burns Bros. & Co. Ltd. Toronto

90-day Call Offerings per 100 shares.

	$		$
Abitibi	330	Great Plains	140
Alta. Gas	230	Hudson Bay	420
Aluminium	295	Inglis	60
Argus	330	Irish Copper	40
Atl. Coast Cop.	30	Kilembe	50
Atlas Steels	250	Loeb	100
B-A Oil	325	Maritime	25
Bailey Selburn	90	Massey-Ferg.	150
Beatty	90	Opemiska	90
Campbell Chib.	85	Orange Crush	100
Can. Cr. Stone	140	Oshawa Whlsr.	100
Cdn. Collieries	95	Pacific Pete.	140
Cdn. Curt. Wrgt.	50	Place	30
Cdn. Delhi	80	Que. Lithium	50
Cdn. Export	35	Roe	125
Cdn. Utilities	225	Radiore	24
Cockshutt	170	Steep Rock	140
Cons. Dennison	150	Steinberg's	285
Copper Rand	29	Texas Calgary	19
Dom. Electhme	140	Trans-Can. Pipe	275
E. Sullivan	29	Trans Mtn. Pipe	125
Falconbridge	275	United Oil	29
Famous Players	180	Ventures	260
Geco	170	Violamac	32
Gt. North Gas	60	West Coast	180

ANNOUNCEMENT

B. J. COGHLIN APPOINTMENTS

COL. O. H. BARRETT, O.B.E. PETER PAUL SAUNDERS

The election of Col. O. H. Barrett, O.B.E., of Montreal, and Mr. Peter Paul Saunders, of Vancouver, to the Board of Directors of B. J. Coghlin Co. Limited is announced by S. H. Dobell, President.

N. M. PATERSON & SONS LIMITED
FORT WILLIAM WINNIPEG MONTREAL
GRAIN DIVISION
Grain and Coal Merchants
Country and Terminal Elevators
STEAMSHIP DIVISION
Carriers of All Bulk Cargoes

K. A. POWELL (CANADA) LTD.
GRAIN SHIPPERS AND EXPORTERS
GRAIN FUTURES
Owners and Operators
Fort William Terminal Elevator Co. Ltd.
and Powell Transports Ltd.
Head Office—563 Grain Exchange, Winnipeg, Man.
Affiliated Companies—Fort William, Ont., Montreal, Que., Vancouver, B.C.

THE DOMINION OF CANADA GROUP
THE DOMINION OF CANADA GENERAL INSURANCE COMPANY
THE CASUALTY COMPANY OF CANADA
AN ALL-CANADIAN GROUP
AUTOMOBILE • FIRE • CASUALTY
HEAD OFFICE: TORONTO
BRANCHES: METROPOLITAN TORONTO • HAMILTON • KITCHENER • LONDON
OTTAWA • WINDSOR • MONTREAL • CALGARY • VANCOUVER • WINNIPEG
PORT OF SPAIN, TRINIDAD • KINGSTON, JAMAICA

THE WEEK'S QUOTATIONS

Quotations here listed are the official, exchange prices for listed stocks including curb market quotations. For unlisted stocks, quotations by unlisted dealers are given. The Financial Post cannot accept any responsibility for these quotations.

Montreal and Toronto Winnipeg, Calgary and Vancouver

Bid and Ask quotes of Toronto and Montreal exchanges up to press time are published on page 23

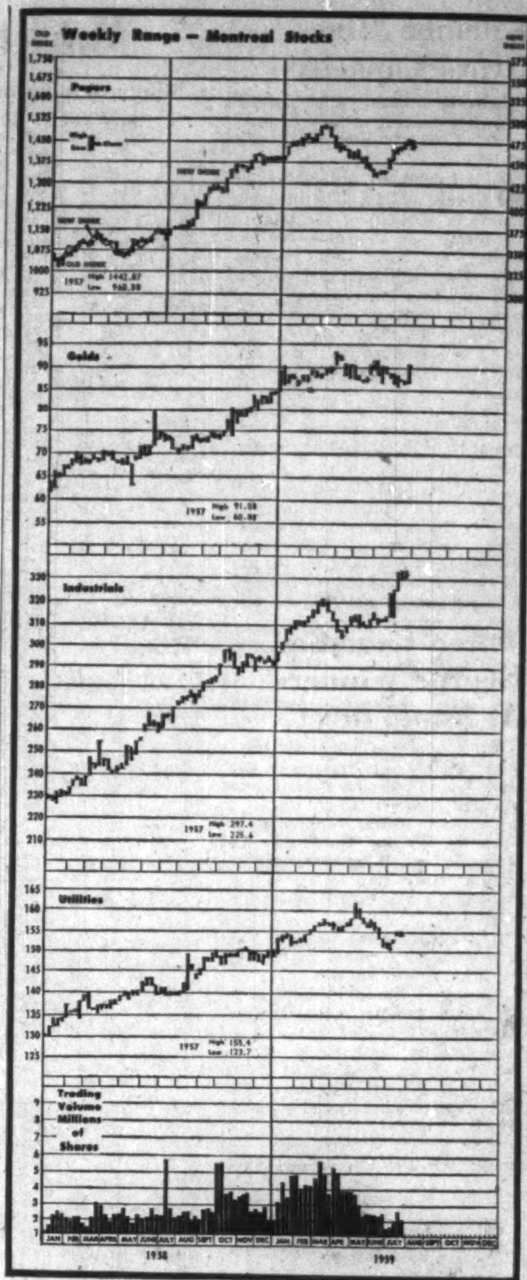
Industrial Stocks

WEEK ENDING JULY 24, 1959

Range 1959 High	Low	Div. R'te $	Y'ld Jul24 %	Company	Sales	Last July 17	Week end. July 24 High	Low	Close or Latest
1.00	.40	..	..	Abitca Lum	28000	.55	.55	.40	.46
40	34¼	1.70	4.5	Abitibi	7511	37⅞	38½	37⅝	38⅛
24	23¼	1.12½	4.8	Do. 4½% pref.	518	23½	23¾	23¼	23½
12	10¼	.60	5.9	Acadia Atlan.	140	10¼	10½	10¼	10¼
98	94	5.00	5.3	Do. 5% pref.	nil	..	..	..	94
22	19½	1.20	6.0	Do. A	405	19⅝	20	19½	20
17¾	17¾	..	..	Admiral	....	..	..	..	17¾
18½	12½	..	..	Agnew Surp.	1306	18¼	18¼	16½	16½
4.50	2.75	..	..	Alaska Y. Pipe	100	3.00	2.75	2.75	2.75
2.00	1.00	..	..	Alaska Refin.	800	1.50	1.10	1.00	1.00
13	7	..	..	Do. pref.	nil	..	..	..	7
3.80	2.55	..	..	Albt. Dist.	16910	3.25	3.25	3.15	3.20
2.80	2.00	..	..	Do. V.T.	15160	2.65	2.75	2.50	2.75
1.85	1.05	..	..	Do. S. Pur. W.	2900	1.60	1.60	1.50	1.55
29½	21⅜	..	..	Albt. Gas Tr.	16002	27½	29½	26¾	28¾
23	19	..	..	Algoma Cent.	8700	20⅝	20	19½	20
71⅝	63	3.00	4.5	Do. 6% pref.	115	67	67	66	67
10½	7	..	..	Do. Warr.	452	7.80	8.50	8.25	8.25
42½	35½	1.00	2.4	Algoma Steel	12636	41	41¼	40¾	41
9	7¾	.20	2.4	Algonquin	nil	..	B8½	A9	8¼
20	19½	1.30	6.8	Do. pref.	nil	..	B19¼	A20	†19
37⅝	26⅛	§▲.42½		Aluminium	110643	36	36⅝	34½	36⅛
22	20¾	1.00	4.7	Alum. of C. 1st p.	390	21½	21½	21¼	21⅜
46⅛	42½	2.25	5.0	Do. 2nd pref.	1055	45	45½	45	45
12.50	6.00	..	..	Analogue	400	9.00	8.75	8.25	8.25
7.00	2.95	..	..	Do. warr.	700	4.65	4.75	4.75	4.75
7	5	§▲.15	..	Andian Nat.	60	6	6	6	6
25	22½	.50	2.0	Anglo. Can. Oils (Brandon)	nil	..	B24¼	..	25
46	37½	2.00	4.7	Ang. Cdn. Pulp	80	44	43	42½	42½
53	50½	2.80	5.5	Do. pref.	2135	51¾	52½	51	51
43	40	2.25	5.6	Ang. Can. Tel. p.	6	40¼	40	40	40
8½	6¼	.20	2.5	Ang. Nfld.	12544	8⅛	8¼	7¾	7⅞
..	..	§.20	..	Angl.-Scand. Invest.	nil	..	..	..	..
45	36	1.40	3.3	Anthes. Imp.	310	44	44	43	43
100	96	5.00	5.1	Do. 5½% pref.	5	97¾	98	98	98
8.62½	1.50	..	..	Arcan Corp.	217675	7.25	7.12½	1.75	2.30
42⅛	32	1.00	2.5	Argus	2570	41	40⅞	39¼	39½
93	69	2.40	2.7	Do. A pref.	705	90	89½	86	87½
48⅝	46	2.50	5.3	Do. B pref.	325	47½	48	47	47
..	..	▲1.00+‡■		Aro Equip.	nil	..	..	..	..
36½	27	1.20+‡.70		Asbestos	5120	32	33	31½	33
8.75	4.85	§.20	..	Ash Temple	150	6.50	7.00	6.75	7.00
†96	†92	6.00	6.3	Do. A	nil	..	B92	..	†95
9	8¼	.65	7.2	Do. B	15	9	9	8½	9
†12½	†11¼	.60	5.3	Ashdown Hdwe. A	25	†12½	†11¼	†11¼	11¼
16⅛	13½	.72	5.0	Do. B	55	14½	14½	14	14½
..	..	4.00+▲▲2.00		Assoc. T.&T. pref.	nil	..	..	..	101
8½	5⅞	..	..	Atlan. Accept.	1200	8	8½	8	8½
17¼	15	1.10	6.4	Do. pref.	500	15	17¼	17¼	17¼
29⅝	24⅛	1.00	3.6	Atlas Steels	4868	26¾	28¼	26¾	28
34½	18¾	1.00+‡.25		Auto Electric	400	29½	34½	30	32
10.00	6.00	§▲.60	..	Auto Fabric A	nil	..	B8.00	A9.12½	9.50
3.90	2.25	..	..	Do. B	nil	..	B3.60	A3.75	3.75

B

Range 1959 High	Low	Div. R'te $	Y'ld Jul24 %	Company	Sales	Last July 17	Week end. July 24 High	Low	Close or Latest
63⅝	54	1.60+‡.30		Bk. Can. Nat.	3624	56¾	59½	57¼	58½
62¾	52¾	1.60+‡.20		Bk. Montreal	17167	61¼	62¾	60½	62½
83	65¾	2.20+‡.20		Bk. N. Scotia	6815	78¼	83	79	81¾



Range 1959 High	Low	Div. R'te $	Y'ld Jul24 %	Company	Sales	Last July 17	Week end. July 24 High	Low	Close or Latest
16¾	12⅝	§.12	..	Salada-Shir.-H.	4860	13⅛	14	13⅛	13⅛
11.25	7.60	..	..	Do. warr.	450	9.00	9.00	9.00	9.00
14½	12	§.30	..	Sangamo	12	14½	12	12	12
11	8	.80	8.0	Scarfe & Co. A	105	11	10⅛	9⅞	10
..	..	..	..	Do. B	nil	..	..	..	7⅛
15	12	1.00	7.1	Scythes & Co.	nil	..	B13	A13⅛	14
23	20	1.25	5.4	Do. pref.	nil	..	B20	A25	23
35	29½	§.57	..	Shawinigan	15425	30¾	31⅝	29½	31
37½	32½	1.33⅓	4.0	Do. A com.	50	34	33½	33½	33½
43	40	2.00	4.9	Do. 4% pref. A	617	40⅝	41	40½	41
48	45	2.25	4.7	Do. 4½% pf. B	135	46	47½	46¾	47½
18¼	18⅛	▲.60+‡■		Sheraton	nil	..	..	..	†15
52⅞	46¾	1.80+§.25		Sher. Wms.	29	47	48½	47½	48½
139½	132	7.00	5.2	Do. pref.	152	135	135	135	135
26	18	§.20+‡■		Shop & Save. '57	1222	24	24	23⅜	24
36½	32	1.20+‡■		Sicks' Brew.	nil	..	B28	A30	32
36⅛	32¼	1.20+‡■		Do. V.T.	nil	..	B28	A31	32⅝
33	30½	.90	3.0	Sidney Roofing A	nil	..	B30½	..	30½
24	24	1.00	4.2	Silknit	nil	..	B24	A26	24
38	38	2.00	5.3	Do. pref.	nil	..	B38	..	38
12	11⅝	.60	5.1	Silverwoods A	1175	11⅛	11⅝	11⅝	11¾

Dividends Declared

	This payment $	Date payable	*Date of record
Acadia At. Sug. pfd. 5%	1.25	Sep. 15	Aug. 2[illegible]
Do A	.30	Oct. 1	Sep. 1[illegible]
Agnew-Surpass	.15	Sep. 1	Jul. 3[illegible]
Alg.-Cent. & H.-B. Rlwy. pf.	.75	Sep. 1	Aug. 1[illegible]
Aluminium Ltd.	†.12½	Sep. 5	Aug. [illegible]
Aluminum 4% pf	.25	Sep. 1	Aug. [illegible]
Do 4½% pf	.56	Aug. 31	Aug. [illegible]
Anglo-C. Tel. A	.30	Sep. 1	Aug. 1[illegible]
Do 4½% pf	.56¼	Aug. 1	Jul. 1[illegible]
Anthes I 5½% p	1.37½	Aug. 1	Jul. [illegible]
Argus Corp.	.25	Sep. 1	Jul. 2[illegible]
Do $2.50 pf	.62½	Aug. 1	Jul. 2[illegible]
Do $2.40 pf	.60	Aug. 1	Jul. 2[illegible]
Assoc. Tel. & Tel.	†2.00	Sep. 15	Aug. 1[illegible]
Do. A pf.	†1.00	Oct. 1	Sep. [illegible]
At. Accept. Corp. pf	.55	Sep. 14	Aug. 2[illegible]
Atlas Steels	.25	Aug. 1	Jul. [illegible]
Aunor G.M.	.04	Sep. 1	Aug. 10
Avalon Tele. 5½% p	.34	Jul. 31	Jul. [illegible]
Bailey Selb. 5% pf.	.31¼	Sep. 1	Aug. 1[illegible]
Do. 5¾% pf.	.36	Sep. 1	Aug. 1[illegible]
Bk. of Montreal	.40	Sep. 1	Jul. 3[illegible]
Bk. of N.S.	.55	Aug. 1	Jun. 3[illegible]
Banque Cdn. Nat.	.40	Sep. 1	Jul. 3[illegible]
Barber Ellis	‡.80	Aug. 14	Jul. 3[illegible]
Bathurst Pwr. A	.50	Sep. 1	Aug. [illegible]
Beld.-Cort. pfd	.17½	Aug. 1	Jun. 3[illegible]
Bird Construct.	.80	Sep. 30	Dec. 1[illegible]
Do	.80	Dec. 31	Dec. 1[illegible]
Blue Ribbon pf	.62½	Aug. 1	Jul. 1[illegible]
Bowater Corp. of N.-A. 5% pf.	.62½	Oct. 1	Sep. [illegible]
Do. 5½% pf.	.68¾	Oct. 1	Sep. [illegible]
Bralorne P. M.	.10	Jul. 31	Jul. 1[illegible]
Bridge & Tank p	.72½	Sep. 1	Aug. 14
B.C. Sugar	.25	Jul. 31	Jul. 1[illegible]
B.C. Tel. 6% 2 p	1.50	Aug. 1	Jul. 1[illegible]
Do 4¼% pf	1.06	Aug. 15	Jul. 31
Chartered Tr.	.40	Oct. 1	Sep. 15
Chrysler Corp.	†.25	Sep. 14	Aug. 20
Coch.-Dunlop A	.20	Aug. 14	Jul. 31
Com. Accept.	.04	Sept. 30	unstated
Do	.04	Dec. 31	unstated
Do 6½% pf	.16¼	Sept. 1	unstated
Do 6½% pf	.16¼	Dec. 1	unstated
Conduits Nat.	.20	Aug. 1	Jul. 15
Confed. Life	.50	Sep. 15	Sep. 1
Do	.50	Dec. 15	Dec. 1
Cons. Bakeries	.25	Aug. 1	Jul. 15
Consol. Theatres A	.13	Sep. 1	Jul. 31
Consumers Glass	.37½	Aug. 31	Jul. 31
Cont. Can	†.45	Sep. 15	Aug. 21
Do $3.75	†.93¾	Oct. 1	Sep. 15
Cont. Life Ins.	1.30	Aug. 1	Jul. 23
Coronation Mtge.	.09	Jul. 31	Jul. 15
Do pfd	.50	Jul. 31	Jul. 15
Cosmos Imp.	.17½	Aug. 14	Jul. 31
R. L. Crain	.06¼	Sep. 30	Sep. 4
Cr. Cork & Seal	.50	Aug. 15	Jul. 15
Crown Trust	.20	Oct. 1	Sep. 18
Delta Accept. pf	1.50	Aug. 15	Aug. 5
Dome M.	.17½	Jul. 30	Jun. 30
Dom. & Anglo Inv. p	1.25	Sep. 1	Aug. 14
Dom. Bridge	.20	Aug. 25	Jul. 31
Dom. Dairies 5% p	.44	Oct. 15	Sep. 30
Do	.43	Jan. 15	Dec. 31
Do	.44	Apr. 15	Mar. 31
Dom. Fabrics	.15	Aug. 1	Jul. 15
Do pf	.37½	Aug. 1	Jul. 15
Dom. Oilcloth	.50	Jul. 31	Jul. 9
Dom. Scot. Inv. pf.	.62½	Aug. 31	Aug. 17
Dom. Steel & Coal	.25	Jul. 30	Jul. 8
Dom. Stores	.31¼	Sep. 15	Aug. 17
Dom. Tar & Ch.	.15	Aug. 1	Jul. 3
Du Pont Co. of C.	.10	Aug. 15	Jul. 15
Dup. Fr. Ltd. A	.14	Aug. 15	Jul. 31
Do pfd	.30	Aug. 15	Jul. 31
E. Koot. Pwr. p.	1.75	Sep. 15	Aug. 31
East. Lt. & Pwr.	.60	Aug. 1	Jun. 30
Do 4½% pf	2.25	Aug. 15	Jun. 30

Where there have been no transactions during the week covered, the word "nil" is shown under sales and the quotations shown are the bid, ask, and last sales price, instead of high, and close.

(Continued on page 25)

Mining Stocks

WEEK ENDED JULY 24

Range 1959 High	Low	Company & Dividend ($)	♦Sales	Last July 17	Week Ending July 24 High	Low	Close or latest

Bid and Ask quotes of Toronto and Montreal exchanges up to press time are published on page 23

Oil Stocks

Range 1959 High	Low	Company & Dividend ($)	♦Sales	Last July 17	Week Ending July 24 High	Low	Close or latest
		C					
1.27	.65	Calalta	6750	.71	.71	.70	.70
35.00	23.50	Cal. & Ed. .40	2170	25.00	25.00	23.50	23.75
4.15	3.50	Calvan	nil	..	B3.50	A3.70	3.50
.74	.53	Calvert	7300	.60	.57	.53	.55
		Canada					
2.35	1.42	Can. Oil Lands	10225	1.46	1.52	1.44	1.46
1.05	.55	Do. Warr.	2000	.58	.74	.60	.74
1.25	.50	Can. So. Oil. w	1300	.70	.82	.72	.72
5.00	2.85	Can. So Pet	3088	4.00	4.20	3.95	4.15
		Canadian					
1.57	1.08	Cdn. Chieft'n	39690	1.33	1.43	1.32	1.39
6.05	4.25	Cdn. Dev.	13935	4.40	4.50	4.25	4.40
29	2.05	Cdn. Exp. G.	14425	2.45	2.45	2.26	2.34
.10	.04	Cdn. Fortune	nil	..	B.04½	A.05	.04¼
.62	.23	Cdn. H. Cr.	2750	.35	.33	.31	.31
1.85	1.10	Cdn. H'Stead	7850	1.15	1.20	1.10	1.12
14.75	10.00	Cdn. Husky	5901	10.50	10.75	10.25	10.50
8.50	5.00	Do. warr.	810	5.70	5.70	5.50	5.50
3.00	1.50	Cdn. West-O	11988	1.80	2.06	1.70	1.99
2.00	1.00	Cdn Wil'ston	125	1.25	1.00	1.00	1.00
		T, U, V					
6.75	4.00	Triad	7738	4.30	4.40	4.10	4.25
.07	.03½	Tri-Zone	nil	..	B.04	A.06	.04
.24	.20	Turner V.	25	.20	.20	.20	.20
2.03	1.30	Un-Canso V-T	1344	1.40	1.40	1.30	1.35
2.60	1.86	United Oils	35586	2.09	2.28	2.11	2.18
.10	.06½	Vandoo	2000	.07	.07	.06½	.07
1.15	.88	Van Tor	9100	.72	.74	.72	.74
		W, Y					
.22	.11	Wayne	20500	.18	.18½	.17	.17
.28	.16	Wespac	10769	.17	.17	.16	.17
.93	.73	W'Burns	8650	.80	.85	.80	.80
2.32	1.30	W. Cdn. O&G	8432	1.40	1.55	1.43	1.50
1.09	.55	Do. Warr.	nil	..	B.65	A.70	.65
2.25	1.40	W. Decalta	4790	1.65	1.65	1.60	1.63
4.25	3.50	W. L'Holds	4500	3.75	3.60	3.50	3.50
1.06	.65	W. Naco	3100	.70	.70	.65	.70
.15	.08¾	W. Warner	2000	.10	.09½	.09½	.09½
.14	.07	Y'ke Can.	5000	.08	.08	.07	.07

♠U. S. funds. ♠♠Initial. †Less than board lot. ♦When shown nil the figures are bid, asked and latest sale. ‡Paid or declared in 1959. ‡Extra paid in 1958, shown for record purposes only; does not necessarily apply to 1959 dividend date or payments. •Dividend action deferred. *Paid in 1958. ■Stock dividend.

Company Reports

Food

DOMINION DAIRIES LTD., Montreal, consolidated net profit of $527,601 for year ended March 31, 1959, was 130.1% higher than previous fiscal year's $229,280.

A net profit of $11,460 was realized on purchase of $90,000 4% sinking fund bonds, Series A and B, on the open market, President F. L. Hart reports.

Introduction of multiple sized containers in Ontario resulted in increased sales volume. A continued sales increase in larger sized containers is anticipated.

Ice cream gallonage was 8% higher.

Capital expenditures totaling $961,271 included construction of a garage in Hull, Que., and purchase of the ice cream business and certain equipment of **Orillia Creamery Co.** Sept. 15.

Additional properties were acquired and substantial capital expenditures have been approved to permit completion of second phase of company's building program in Ottawa by 1960, Mr. Hart states.

Several new products, planned for introduction during the current year, are expected to increase volume.

Earnings in the concentrated milk products division may be adversely affected by reductions of 40% in Government support prices in the past two years, the president says.

CONSOL. INCOME ACCOUNT

Years Ended Mar. 31:	1959 $	1958 $
Sales	34,735,865	32,743,751
Net earnings	1,844,130	1,265,444
Less: Deprec.	760,462	741,856
Bond interest	80,067	84,607
Income tax res.	476,000	190,701
Net profit & surp.	527,601	229,280
Less: Pref. divds.	14,300	......
Surplus for year	513,301	229,280
Times Bond Interest Earned:		
Before deprec.	23.03	14.73
After deprec.	13.53	5.96
Earnings per Share and Dividend Record:		
Preferred: Earned:	$16.23	$7.05
Paid	0.44	....
New common	*0.94	....
None paid.		
Common	....	1.46
None paid.		

*On shares outstanding at year end. Based on average number of shs. outstanding during year, earnings would be $1.18 per share.

Share o/s at March 31:		
5% Pref., $35 par	22,500	32,500
Common, n.p.v.	....	118,475
New common, n.p.v.	•301,639	....

•Following 3-for-1 stock split and issuance of additional shares.

CONDENSED CONS. BALANCE SHEET

As at Mar. 31:	1959	1958
Cash & govt. bds.	$1,077,937	$144,815
Accts., etc., rec.	1,501,289	1,378,207
Inventories	1,319,851	1,103,660
Total curr. assets	3,899,077	2,626,682
Misc. assets	333,738	138,109
Fixed assets†	4,715,744	4,514,935
Goodwill	823,986	823,986
Total assets	9,672,573	8,103,712
Bank loan	......	43,000
Accts., tax, etc., pay	1,257,917	2,853,630
Accr. bond int.	25,837	27,579
Total curr liab	3,393,934	2,923,263
Funded debt	1,837,500	2,063,000
Purch. pr. bal	130,629	52,500
Capital stock	2,339,906	2,197,466
Earned surplus	1,370,784	857,483
†After depr. of	5,802,296	6,202,277
Working capital	685,383	•391,581

•Excess of curr. liabs. over curr. assets.

CONTRACTORS' MEET

Ontario General Contractors Association will hold its semi-annual meeting Sept. 25-26 at Britannia Lodge, Huntsville. Information from Trevor C. Cox, OGCA general manager, 57 Bloor St. W., Toronto.

Grain

GODERICH ELEVATOR & TRANSIT CO., Goderich, Ont., net profit of $130,794 for year ended March 31, 1959, was 14.1% higher than previous year's $114,607.

Grain handled during the year amounted to 14,244,476 bu., slightly below 14,271,192 bu. the year before.

First cargo of grain was unloaded on April 30 this year, six days later than in 1958, due to severe ice conditions.

Company is looking forward to a favorable domestic movement depending on local demand for feed and milling purposes, states President Charles S. Band.

INCOME ACCOUNT

Years Ended Mar. 31:	1959	1958
Net oper. income	$278,678	$273,727
Add: Inv. income	24,639	27,374
Prof. sale f.a. inv.	3,025	475
Net earnings	306,342	301,576
Less: Depr. & amort.	58,548	71,969
Inc. tax res.	117,000	115,000
Net profit	130,794	114,607
Less: Dividends	126,009	126,009
Surplus for year	4,785	†11,402
†Deficit.		
Earnings per Share and Dividend Record:		
Common	$1.55	$1.36
Paid	1.50	1.50
Shares o/s as at March 31:		
Common, n.p.v.	84,006	84,006

CONDENSED BALANCE SHEET

As at Mar. 31:	1959	1958
Cash	$55,065	$6,600
Investments	701,299	702,222
Accts., etc., rec.	21,091	13,475
Elev. & stor. chgs.	34,059	32,803
Prepaid exps.	15,233	18,614
Total curr. assets	826,747	773,714
Fixed assets*	942,592	993,119
Total assets	1,769,339	1,766,833
Total curr. liab.	69,426	71,705
Capital stock	933,400	933,400
Appraisal surplus	100,908	100,908
Earned surplus	665,605	660,820
*After depr. & w/o	1,508,192	1,449,894
Working capital	757,321	702,009

Company Reports

Beverages

INTERIOR BREWERIES LTD., Creston, B.C., consolidated net profit of $109,740 for year ended March 31, 1959, was 19.3% lower than previous fiscal year's $135,963.

Sales decreased 1.5%.

Earnings decline is due in part to move of operations from Nelson and Fernie to Creston, President C. B. Delbridge reports.

Capacity of new Creston plant is 40% greater than the combined previous plants. An additional $150,000 will be needed to complete construction program.

Brewing operations started early in April.

Company expects little, if any, salvage from its Fernie plant, and has written off book value of $60,184 to surplus account during current year.

An amount of $101,250 was realized from sale of 20,500 Class B shares, par $4.50, and a further issue of such shares on exercise of options.

Company anticipates increased sales volume and restoration of operating profits during the current year.

CONSOLIDATED INCOME ACCOUNT

Years Ended Mar. 31:	1959	1958
Sales	$1,906,644	$1,938,041
Net earnings	382,238	419,091
Less: Deprec.	83,774	83,581
Fixed chgs.	93,174	53,366
Income taxes	95,550	146,181
Net profit	109,740	135,963
Less: Cl. A divds.	16,116	16,115
Cl. B divds	55,080	55,080
Surplus	38,544	64,768

Note — Tax prov. is reduced by $47,902 in 1959 as a result of co. claiming for tax purposes deprec. in excess of amt. recorded in accounts.

Times Fixed Charges Earned:		
Before deprec.	4.10	7.85
After deprec.	3.20	6.29
Earnings per Share and Dividend Record:		
Class A	$3.40	$4.22
Paid	0.50	0.50
Class B	0.37	0.52
Paid	0.24	0.24
Shares o/s at Mar. 31:		
Class A, pref., n.p.v.	32,231	32,231
Class B, pref., n.p.v.	252,000	229,500

CONDENSED BALANCE SHEET

As at Mar. 31:	1959	1958
Cash	$5,758	$58,022
Accts rec	170,923	141,208
Constr. funds	303,911	......
Inventories	264,454	200,764
Total curr. assets	745,046	399,994
Constr. funds	......	1,126,274
Other assets	6,971	46,489
Unamort. bd. disc.	88,944	108,017
Goodwill, at cost	264,816	264,816
Fixed assets*	1,741,481	551,873
Total assets	2,847,258	2,497,463
Due bank	223,626	......
Accts., etc., pay.	320,397	109,937
Income taxes	......	72,803
Total curr. liab.	544,023	182,740
Funded debt	1,111,000	1,250,000
Def. inc. tax	47,902	......
Capital stock	1,047,374	946,124
Earned surplus	96,959	118,599
*After deprec. of	753,528	770,974
Working capital	201,023	217,254

Financial

OKANAGAN INVESTMENTS LTD., Kelowna, B.C., net profit for year ended March 31, 1959 was $57,999, an increase of 43% over $40,560 in the preceding year.

Income included dividend of $47,968 from **Okanagan Trust Co.** (formerly a wholly owned subsidiary), of which $27,680 represented accumulated profits at March 31, 1958.

All the 2,500 outstanding shares of Okanagan Trust were sold to **Royal Trust Co.** early in 1959.

A new wholly owned subsidiary, **Okanagan Holdings Ltd.**, has been incorporated to acquire and administer the real estate holdings formerly held by Okanagan Trust.

The investment department is being expanded to cope with increasing business in the Okanagan Valley. A Telex system makes direct contact possible with larger Canadian and U.S. cities, the U.K. and 34 other countries.

INCOME ACCOUNT

Years Ended Mar. 31:	1959	1958
Revenue	$164,394	$173,812
Less: Oper. exps.	105,034	119,274
Income tax	1,361	13,978
Net profit	57,999	40,560
Less: Divds.	24,180	24,180
Surplus for year	33,819	16,380
Earnings per Share and Dividend Record:		
Common: Earned	$1.44	$1.01
Paid	0.40+0.20	0.40+0.20
Shares o/s as at Mar. 31:		
Common, $10 par	40,300	40,300

CONDENSED BALANCE SHEET

As at Mar. 31:	1959	1958
Cash	$1,966	$14,365
Accts. rec., etc.	228,862	123,187
Secs. held for resale†	81,022	13,972
Accrued interest	5,417	2,238
Prepaid expenses	1,155	......
Total curr. assets	318,422	153,762
Investments	314,070	537,398
Off. furn. & fixt.*	4,049	4,278
Goodwill	1	1
Total assets	636,542	695,439
Due bank	122,170	34,000
Accts. pay., etc.	139,986	88,860
Tax pay.	......	9,304
Total curr. liabs.	262,156	132,164
Reserve re sh.	786	786
Deferred liabs	1,585	24,225
Investment res.	35,000	35,000
Capital stock	403,000	403,000
Surplus	134,015	100,264
†Market value	81,544	14,671
*After depreciation.		

Food

CANADA PACKERS LTD., Toronto, consolidated net profit for year ended March 25, 1959 was $4,734,913, down 4.8% from $4,972,803 the year before.

New highs were established in respect of dollar sales and pounds of product sold, says President W. F. McLean.

Lower net profit was due to reduced profit in the packing-house business. Operating conditions in the meat business were difficult and the year's profit on products derived from livestock of ⅛c per lb. or 0.37% of sales, is unusually low, the president points out.

Heavy shipments of cattle to the U.S. decreased the supply for Canadian consumption to the point where it could be consumed at at least the equivalent of the U.S. price.

Cattle for Canadian consumption are likely to remain in modest supply for the remainder of 1959, Mr. McLean says.

Forecasts indicate that more than eight million hogs will be marketed in Canada this year, a 39% increase over 1958.

CONS. INCOME ACCOUNT

Years Ended:	Mar. 25 1959 $	Mar. 28 1958 $
Net sales	541,418,248	486,121,671
Net oper. inc.	14,151,653	13,737,592
Add: Prof. sale f.a. & other inc.	272,632	396,284
Net earnings	14,424,285	14,113,876
Less: Deprec.	3,352,129	3,235,466
Inc. & other taxes	6,238,624	5,869,374
Less: Min. int.	98,619	36,233
Net profit	4,734,913	4,972,803
Less: Cl. A divs.	700,000	700,000
Cl. B divs.	1,400,000	1,400,000
Surplus	2,634,913	2,872,803
Earnings per Share and Dividend Record:		
Class A†	$11.84	$12.43
Paid	1.75	1.75
Class B†	8.17	8.47
Paid	1.75	1.75
Cl. A & B‡	3.95	4.14
†Before (‡after) participation.		
Shares o/s at:		
Class A, n.p.v.	400,000	400,000
Class B, n.p.v.	800,000	800,000

CONDENSED CONS. BALANCE SHEET

As at:	Mar. 25 1959	Mar. 28 1958
Cash	$75,430	$75,562
Accts., etc., rec.	28,728,524	23,201,978
C.s.v., life insur	342,214	324,070
Inventories less res.	37,906,168	38,765,278
Prepaid exps.	919,848	1,041,849
Total curr. assets	67,972,190	63,408,737
Invest. in oth sec.	793,935	651,898
Fixed assets*	24,723,678	25,283,164
Total assets	93,489,803	89,343,799
Due bank	21,154,368	21,235,486
Accts., etc., pay.	18,857,441	17,360,204
Divds. pay.	1,050,000	1,050,000
Total curr. liabs.	41,061,809	39,645,690
Minority interest	762,148	667,176
Appraisals surp.	5,863,432	5,863,432
Capital stock	1,438,284	1,438,284
Earned surplus	44,364,130	41,929,217
*After deprec. of	44,619,021	41,315,269
Working capital	26,910,381	23,763,047

Dividends Declared

	This payment $	Date payable	*Date of record
Royal Bk.	.50	Sep. 1	Jul. 31
Royal Oak Dairy A	.15	Aug. 15	Jul. 31
Royal Trust	.35	Aug. 1	Jul. 20
Sal-Shir-Hor.	.06	Sep. 15	Aug. 25
Sav's & Inv. Corp.	.04½+‡.01½	Aug. 15	Jul. 31
Scarfe & Co. A	.20	Aug. 1	Jul. 18
Scythes & Co.	.25	Sep. 1	Aug. 12
Do. 5% pf.	.31¼	Sep. 1	Aug. 12
Shaw W&P 4% A p	.50	Oct. 2	Sep. 2
Do 4½% B pf	.56¼	Oct. 2	Sep. 2
Do com	.20	Aug. 25	Jul. 14
Do A	.33⅓	Aug. 14	Jul. 17
Sheraton Corp.	†.15+2% stk.	Aug. 1	Jul. 2
Sherbrooke Tr.	2.00	Aug. 1	Jul. 15
Sher.-Wms. ord.	.45	Aug. 1	Jul. 10
Sidney Roof A	.22½	Aug. 1	Jul. 15
S.K.D. Mfg. 6% pf.	.15	Sep. 1	Aug. 15
Do 6¼% pf.	.31¼	Sep. 1	Aug. 15
Silverwood Dair A	.15	Oct. 1	Aug. 28
Do B	.15	Oct. 1	Aug. 28
N. Slater	.30	Aug. 1	Jul. 10
Southam Co.	.60	Sep. 28	Sep. 14
So. Can. Pwr.	.62½	Aug. 15	Jul. 20
Stand. Brands	†.65	Sep. 15	Aug. 14
Stand. Fuel 4½% p	.56¼	Aug. 1	Jul. 15
Stanley Brock A	.15	Aug. 1	Jul. 10
Do B	.10	Aug. 1	Jul. 10
Stedman Bros.	.30	Oct. 1	Sep. 11
Steel Co	.40	Aug. 1	Jul. 3
Steinbergs p 5¼% p	1.32	Aug. 15	Jul. 23
D. A. Stuart Oil	.25+‡.25	Sep. 1	Aug. 6
Sun Life Ass.	1.25	Oct. 1	Sep. 15
Superior Prop.	.10+‡.10	Sep. 15	Sep. 2
Switson Ind	.07	Sep. 30	Sep. 11
Tay., Pear. & C. p	.12½	Aug. 14	Jul. 30
Texaco Can. com.	.40	Aug. 31	Jul. 31
Tor.-Dom Bk.	.47½	Aug. 1	Jun. 30
Union Gas	.08	Aug. 1	Jul. 3
Un. Cdn Sha.	.30	Aug. 1	Jul. 16
Un. Corp. A	.38	Aug. 15	Jul. 31
Do. B	.15	Aug. 15	Jul. 31
Un. Fuel Invest. A	.75	Oct. 1	Sep. 4
Un. Towns E 5% p	.13	Jul. 30	Jul. 1
Universal Cont	†‡.07½	Jul. 31	Jul. 15
Waite Amulet M.	.20	Sep. 10	Aug. 18
West. Can. Brew.	.30	Sep. 1	Jul. 31
Westminster P. B	.17½	Jul. 31	Jul. 15
G. H. Wood pf.	1.37½	Sep. 1	Aug. 15
Yellowknife M	.02	Sep. 10	Aug. 10
Zeller's Ltd	.30	Aug. 1	Jul. 2
Do pfd.	.56¼	Aug. 1	Jul. 2

♦—Initial.
†—U.S. funds.
‡Extra.
*—The ex-dividend date is usually at least two full business days prior to the record date.
§—First foll. 4 for 1 stk. split.
al pf. sh. for ea. 10 shs. held.

Industrial Stocks

(Continued from page 24)

Range 1959 High	Low	Divd. $	Yield %	Company	Sales	Last July 17	High	Low	Close or latest
13	10	.50	3.1	Wilson, J. C.	nil	..	..	..	†16
70	52	..	..	Windsor Hotel	22	70	70	70	70
600	500	..	..	Wpg. Win. Club	nil	..	..	..	590
6.50	4.25	•.30	..	Wood Alex	nil	..	B4.80	A5.00	5.75
96	95	5.50	5.8	Wood, G. H. 5½% p.	nil	..	B94	..	95
28½	24½	1.60	5.7	Wood J. A	175	28⅝	28¼	28	28
81	79½	4.50	5.6	Do. pref.	nil	..	B81	A85	81
.50	.50	..	..	Woodford A	nil	..	..	..	.50
.10	.10	..	..	Do. B	nil	..	..	..	.10
40	39	*•	..	Woods Mfg.	nil	..	..	A39	39½
24½	18½	1.20	..	Woodward A	2590	22	22	21¾	21¾
13.50	9.00	..	..	Do. A warr.	730	11.12½	11.00	10.50	10.50
8.00	7.50	.45	..	Wool Combing	nil	..	B7½	A8	8.00
2.00	1.60	..	..	York Knitting A.	nil	..	B1.50	A1.90	†1.50
.30	.05	..	..	Do. B	1500	.15	.26	.25	.25
40½	35½	1.20	3.3	Zellers	125	36	36⅜	36¼	36⅜
48	45	2.25	4.9	Do. 4½% pref.	nil	..	B45⅜	A46½	46
3.10	2.60	1.04	..	Zenith	3750	2.75	2.80	2.70	2.75

♠U. S. funds. ♠♠Participating divd. •Dividend action deferred. ■Stock divd. ♦♦Initial. †Less than board lot. ♦Note: When sales show nil the figures are bid, ask and latest sale. ‡Paid or declared in 1959. ‡Extra paid in 1958, shown for record purposes only does not necessarily apply to 1959 dividend rate or payments. *Paid in 1958. ■■On arrears. ♦♦On Redempt. ♦Paid on arrears. ••Special Tax-free stk. distribution redeemed at 45c per share.

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Dome Gold Earnings Rise Despite Sigma Lower Net

Ontario gold operations in the **Dome Mines** group reported better earnings in the first half of 1959. Both parent Dome Mines and subsidiary **Campbell Red Lake Mines** boosted net. But the Quebec mine operated by subsidiary **Sigma Mines (Quebec) Ltd.** took a cut in profit.

Dome Mines had a 5% gain in net reaching $829,143 or 43c a share in the first half up from $801,445 last year. Slight drop in operating costs to $8.01 ($8.03) per ton, coupled with increased cost aid, were factors in the rise.

Here are the Dome results:

	First Half 1959	First Half 1958
Tons milled	356,500	352,600
Bullion prod.	$2,902,932	$2,890,143
Cost aid	356,000	275,000
Other income	647,086	671,601
Operating costs	2,855,475	2,832,599
Depreciation	75,400	76,200
Taxes	46,000	26,500
Outside explor.	100,000	100,000
Est. net profit	829,143	801,445
Earnings per share	43c	41c

Profits at Campbell Red Lake also climbed 5% reflecting better grade of millfeed. Net in the latest period of $845,099 or 21c a share was ahead from $826,618 last year. Grade of ore delivered to the mill climbed to $21.47 ($20.30) and operating costs were cut to $8.66 ($8.72).

First half results of Campbell follow:

	First Half 1959	First Half 1958
Tons milled	128,728	127,148
Bullion prod.	$2,763,449	$2,581,147
Other income	60,797	62,267
Operating costs	1,114,811	1,108,559
Depreciation	211,786	210,737
Prepred. amort.	107,493	35,000
Outside explor.	10,057	......
Taxes	535,000	462,500
Est. net profit	845,099	826,618
Earnings per share	21c	20c

Sigma Mines was hit by climbing costs as net profits slipped 12%. Earnings during first half of 1959 amounted to $164,733 or 16c a share. In the same period last year, profit was estimated at $184,406.

Operating costs during the latest period climbed to $5.84 per ton ($5.29), more than offsetting climb in grade of ore to $6.31 ($6.22).

Here are results for the half year:

	First Half 1959	First Half 1958
Tons milled	210,123	207,011
Bullion prod.	$1,326,577	$1,287,952
Cost aid	114,000	63,000
Other income	25,925	25,262
Operating costs	1,226,812	1,095,651
Depreciation	60,000	48,700
Outside explor.	10,157	157
Taxes	4,800	47,300
Est. net profit	164,733	184,406
Earnings per share	16c	18c

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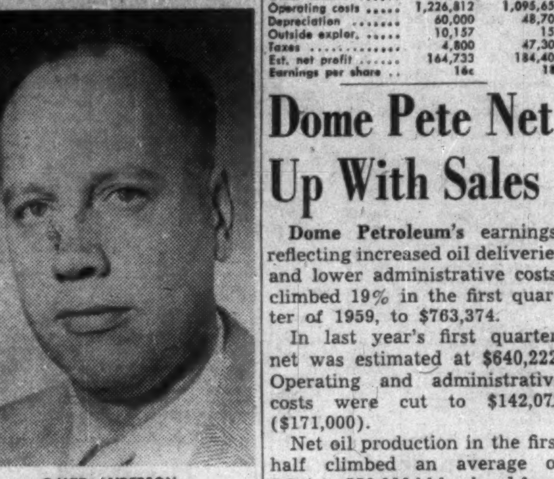
ANNOUNCEMENT



DAVID ANDERSON

The appointment of David Anderson as Production Superintendent, Petrochemicals, is announced by L. D. Dougan, Vice President — Operations, for Polymer Corporation Limited, Sarnia, Ontario. As such, he will be responsible for the Steam and Power Plant, Feed Preparation, Butadiene and Styrene Units.

Upon graduating from the University of Toronto in Chemical Engineering, Mr. Anderson joined Imperial Oil Limited in 1942 and was transferred to St. Clair Processing Corporation in July 1943 as an Instrument Foreman. When St. Clair Processing was absorbed into the integrated Polymer organization, he remained with the synthetic rubber company. In December 1946 he transferred to the Production Division.

Dome Pete Net Up With Sales

Dome Petroleum's earnings, reflecting increased oil deliveries and lower administrative costs, climbed 19% in the first quarter of 1959, to $763,374.

In last year's first quarter, net was estimated at $640,222. Operating and administrative costs were cut to $142,072 ($171,000).

Net oil production in the first half climbed an average of 5.3% to 550,000 bbl., ahead from 522,254 bbl. First half earnings have not been released.

Participations were taken in drilling 14 wells resulting in 6 oil wells and 3 gas wells, President J. P. Gallagher states.

Dome plans active drilling program in northeastern B. C., along with surface exploration on permits in the Northwest Territories and Arctic Islands. Other work will involve expansion of Steelman and Provost gas plants and development of recently purchased semi-proven acreage in Alberta.

PROFITS AHEAD

Is your portfolio in shape to profit from the coming market boom? Or are you bogged down with stagnant has beens that should be sold? Are you overlooking the bargains of to-day that will be the favourites of to-morrow? Ticker Topics discusses this subject this week and comments on many issues including:—

Campbell Chibougamau	New Dickenson
Cons. Mining & Smelt.	Steep Rock
Labrador Mining	Cochenour Willans
United Keno Hill	Falconbridge
Lake Shore Mines	Ventures
Jacobus Mining	Willroy Mines
Cassiar Asbestos	Mattagami Lake
Montgary Explorations	Great Sweet Grass
B. A. Oil	Home Oil

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FP 11

Taking Stock

What's going on in the mining and oil markets — the facts and rumors.

Oil stocks are still slumping. This week they reached the lowest point in nearly four years. During the same four years, industrial stocks have climbed 28% as measured by the Toronto Stock Exchange index of industrial stocks.

Current lack of interest, worsening steadily since mid-1957, has hit the exploration and development companies with a thud. **Pacific Petroleums** is less than half of its peak price while others, including **Home Oil** and the more recent **Alminex,** have sloughed badly.

Most surprising aspect of the dip is that oil industry trends are being pushed aside in the face of a list of uncertainties. Signs point to one of the industry's banner years in Western Canada.

In the first half, crude oil sales jumped 12% ahead of last year's levels. And forecasts of deliveries of over 500,000 bbl. daily in the second half are being tossed about. This would mean rise in output over the full year of between 15% and 20%.

Even exploration is beginning to pick up. Drilling activity in the first half of the year was up 3% (based on the number of feet that the drills churned their way through the ground). Another item—this is the first full year for sales of western gas to eastern Canadian markets.

But there are enough clouds on the horizon to completely dampen the enthusiasm of investors. Among them: What will the new Energy Board's policy be? When will export of gas be cleared? Will the world glut in petroleum products permanently depress prices?

The oil surplus shows no signs of letting up. Major new finds are being made in foreign fields. Latest rush is in North Africa. This could easily be the most significant factor—and one which we can't control.

	Latest Price $	End June $	1959 High $	1959 Low $
Alminex	3.35	4.00	5.15	3.25
Bailey-Selburn	7.55	8.10	10.75	7.35
Calgary & Edmonton	24.25	25.25	35.00	23.50
Canadian Devonian	4.35	4.65	6.09	4.25
Home Oil A	15.50	15.50	21⅓	14⅝
Hudson's Bay O. & G.	16⅞	17⅝	21½	15¾
Pacific Pete	13⅞	13½	18⅜	12⅝
Royalite	7.80	7.80	11⅞	7.60

* * *

AMONG THE MINES — Consolidated Northland bounces briskly as main feature in the mining market. Backed by the same management as **Radiore Uranium,** the company is rumored active on a gold prospect in the Northwest Territories. The stock touches $1.02, ahead from 38c last week.

Radiore, a recent favorite among the Mattagami area copper prospects, slips back to 98c from early week high of $1.05.

Still another Byrne-managed company has been a feature on the quiet speculative market. **Rayrock** bounces ahead to 54c, up from recent level of 36c. It settled back to 48c at mid-week.

* * *

Pater Uranium hovers at low of 26c as "quicky" merger with **Pronto Uranium** is pushed through at special meeting. Pater reached a high of 65c earlier this year. Sale of Pater property to Pronto on one-for-15 share basis puts Pater in line to pick up Pronto dividends.

Hard-on-the-heels of the Pater approval, Pronto declared dividend of 50c a share payable on Aug. 20 to shareholders of record Aug. 10. Pronto market was steady at $3.85 before the dividend announcement, and showed no sign of reaction to Pater deal.

Placer Development gains strength as investors show their confidence in upcoming management decisions on what to do with the $12 million picked up from the sale of Coronet Oil. It touches year's high of $12.25, ahead from mid-July level of $11.25.

* * *

Favorites of the speculators earlier this year are going their separate ways. **Can-Erin** continues its decline, slipping to $1.37, off from high of $1.92. **New Mylamaque,** after sliding from $2.20 back to $1.65, gains some strength and hits $1.85.

In the pennies, **Bibis Yukon** bounces ahead a nickel to 17½c and then settles back to 16½c. **Magnet Consolidated** holds at 16c in heavy trading, up from 11c in mid-July. It touched 18c.

Normetal Has Biggest Gain As Coppers Show Big Rises

Better copper prices are sparking gains in profits for the copper producers controlled by **Mining Corp. of Canada.** In the first half of 1959, **Normetal Mining Corp., Quemont Mining Corp.,** and **Geco Mines** all showed sharp rises in net.

Largest gain went to Normetal which boosted net more than four times at 21.4c a share. In first half last year low prices for copper held earnings at 4.7c share.

Normetal's first-half results were:

	First Half 1959	First Half 1958
Tons milled	189,429	178,020
Write-offs & tax	$55,000	$65,500
Est. net profit	805,000	178,000
Earnings per share	21.4c	4.7c

The other Noranda area producer, Quemont, also scored a big gain with net jumping 50% to $1,007,800 or 48c a share from last year's level of $661,600 or 31½c a share.

Here is how the Quemont first-half results looked:

	First Half 1959	First Half 1958
Tons milled	422,842	424,700
Write-offs & tax	$278,400	$359,400
Est. net profit	1,007,800	661,600
Earnings per share	48c	31.5c

The big Manitouwadge area producer, Geco Mines, boosted net by 33% in the first half. Net profit was $2,259,000 ($1,669,200).

But biggest gain in earnings was scored in first quarter when Geco reported $1,662,500 or 55c a share. The main factor in the second - quarter setback was lower grade ore, says N. C. Urquhart, president.

The drop was forecast at the annual meeting. Shareholders were told that mining of high-grade ore in the first quarter would give way to treatment of ore closer to mine grade during the balance of the year.

Loan from Mining Corp. of Canada was cut by $3,720,000 by the end of July leaving a balance of $5,880,000, Mr. Urquhart states.

Comparative first-half results follow:

	First Half 1959	First Half 1958
Tons milled	633,733	636,271
Write-offs	$910,800	$830,900
Est. net profit	2,259,000	1,669,200
Earnings per share	75c	56c

INSERT C — GECO — —

Massberyl, Valor Propose Merger

Special meetings of shareholders of **Massberyl Lithium Co.** and **Valor Lithium Mines** have been called for Aug. 5, to consider amalgamation.

If approved, the new company would be known as **Massval Mines.**

Terms of the proposed merger call for issuance of one share of the new company for each four shares of the old. But all shares issued in exchange for Massberyl would be held in escrow subject to release only by consent of Canadian Stock Exchange.

Plans call for the new company to acquire a 29-claim copper prospect in the Sioux Lookout area of northwestern Ontario at a cost of 500,000 shares. Diamond drilling is proposed.

Rio Tinto Swaps Pater

Rio Tinto Mining Co. of Canada added a new source of revenue to its portfolio this week. This is the upshot of sale of **Pater Uranium Mines'** Blind River copper prospect to **Pronto Uranium Mines,** as approved by shareholders at a special meeting this week. Both companies were controlled by Rio Tinto.

Terms of the arrangement call for sale of major assets of Pater to Pronto for the equivalent of one share of Pronto for each 15 shares of Pater now outstanding.

Rio Tinto, holding close to 1 million shares of Pater, will pick up about 65,000 shares of Pronto in the deal. From the 50c dividend declared by Pronto on the same day of the meeting, Rio will get close to $33,000.

And more will probably be coming from the uranium producer before its contracts run out in 1962.

As expected the meeting saw heated exchanges between management and minority shareholders opposed to the arrangement. (**FP**, July 25.)

Main arguments of the dissenters centred on the apparent haste with which the deal was put through. Notice of the proposal was sent out just 10 days —the statutory requirement— before the meeting and didn't leave the opposition time to organize, they claimed.

With active mining of the ground still two years away, the group sought a 30-day adjournment to restudy the proposal.

But over 1.5 million shares were voted in favor of the arrangement while the opposition could muster only 218,600 votes.

Rio Tinto's Blind River Profits Up; Rix has Loss

Now that **Rio Tinto** has its Blind River uranium producers on a smoother operating basis, income results of this group are on the upswing.

Latest in the series of earnings reports covering the first half of the year show that **Pronto Uranium Mines, Milliken Lake Uranium Mines** and **Northspan Uranium Mines** had improved earnings.

In the Beaverlodge area, however, its **Rix - Athabasca Uranium Mines** shows a net loss of $114,000 in the first half this year against a net profit of $183,000 in the same period last year. The setback results from reduced rate of operation coupled with high expenditures on exploration and development, says Rix President D. R. Derry.

Here are the Rix results:

	First Half 1959	First Half 1958
Tons shipped	29,359	31,590
Gross revenue	$ 741,000	$ 857,000
Operating costs	531,000	426,000
Exploration	55,000	......
Admin. and royalty	45,000	42,000
Deprec. and preprod.	182,000	179,000
Lorado sec. fund	60,000	27,000
Net loss	114,000	*183,000

*Profit

Milliken Lake, Blind River producer which hit capacity in August last year after first turning over in April, turned in a first-half profit of $316,000. Over 80% of the profit came from operations in the second quarter alone. During this quarter company continued to build up its stockpile of concentrate as it produced in excess of contract requirements. Extra 100,000 lb. was added to inventory, W. H. Bouck, president, states.

First move to wipe out funded debt was made during the latest period. The $26 million in funded debt that had been issued to get the operation under way was pared to $23,843,000 by June 30.

Here is how Milliken fared in the first two quarters:

	1959 Second Quarter	1959 First Quarter
Tons milled	278,540	279,562
Gross revenue	$5,792,000	$5,491,000
Operating costs	2,963,000	2,995,000
Int., admin., and tax	530,000	550,000
Deprec. and preprod.	2,045,000	1,884,000
Est. net profit	254,000	62,000
Earnings per share	4c	1c

Pronto Uranium, first of the Rio Tinto group to get into production, also reported improvement in the first half. Profits of $1,617,000 or 64c a share were ahead 7% from $1,513,000 or 60c a share in last year's first half.

By the end of June funded debt had been cut to $1,643,500. At June 30, 1958 it stood at $2,618,000.

Comparative figures for the first half of Pronto follow:

	First Half 1959	First Half 1958
Tons milled	286,949	272,769
Gross revenue	$6,375,000	$6,062,000
Operating costs	3,110,000	3,007,000
Int., admin., & tax	327,000	390,000
Deprec., preprod.	1,321,000	1,152,000
Est. net profit	1,617,000	1,513,000
Earnings per share	64c	60c

Net loss of **Northspan Uranium** was cut to $708,000 in the second quarter, down from $1,441,000 in the first quarter this year. Increase in operating profit to $10.38 per ton in the latest period from $8.28 per ton reflects better grade ore, President E. B. Gillanders states. Grade of millfeed climbed 12% to $22.42 in the latest quarter.

During the first half, company trimmed debt by $5,637,000. At June 30, it stood at $58,250,000 U. S. and $29,305,000 Canadian.

Production rate in excess of contract requirements meant that during the first half, stockpile of finished concentrate was boosted by 150,000 lb.

	1959 Second Quarter	1959 First Quarter
Tons milled	629,000	682,682
Gross revenue	$14,102,000	$13,687,000
Operating costs	7,575,000	8,033,000
Int., admin., tax	1,546,000	1,748,000
Deprec. & preprod.	5,571,000	5,347,000
Special w/o	118,000	
Net loss	708,000	1,441,000

Japan Readies Big Orders For Canadian Nickel, Coal

From Our Own Correspondent

VANCOUVER — Significant deals with Japan for western nickel (**FP**, July 18) and coal are now set.

- Japanese firms have made a firm bid for a substantial volume of British Columbia nickel on a long-term basis. The contract should be signed soon.
- The first shipment of Alberta coking coal will leave Seattle, Wash. any day now — tentative shipping date is Aug. 1. Other shipments will follow at the rate of 25,000 tons a month.

It is the first time Japan has taken Canadian nickel, and one unofficial estimate of the first order is 50,000 tons of concentrate. It will start moving to Japan early in 1960.

The coal is from Alberta's Crowsnest Pass region. Some 125,000 tons will go to Japan over the next five months to undergo testing in Japanese steel smelters.

The orders are of major significance to western Canada mining.

Japan is seeking an alternate source to French territories in the Pacific for nickel, and is altering her nickel refineries to take the British Columbia concentrate, indicative of her long-term interests.

Japan imports millions of tons of coal. If tests with the western Canada coal are successful, this huge market will revitalize the long-depressed coal industry.

Giant Nickel Mines Ltd., subsidiary of **Giant Mascot Mines** and **Pacific Nickel Mines,** has received the bid for nickel from the big Japanese firm, **Sumitomo Shoji Kaisha Ltd.**

Giant Nickel has minimum reserves of 1 million tons of ore grading about 1.18% at its mine near Hope, 100 mi. east of Vancouver.

Giant Nickel is milling at the daily rate of 1,000 tons to fill a contract for 8,000 tons of concentrate with **Sherritt Gordon Mines** refinery in Alberta.

The Japanese price is reported to be higher than Sherritt Gordon's.

Shipments of nickel to Japan will be loaded at a new bulk terminal under construction in Vancouver port.

Coal shipments will be made from another new terminal being built near Port Moody, east of Vancouver.

Both new terminals will be ready late this year.

WORK IN IRELAND

Southeast Ireland Syndicate has signed contract for 2,000 mi. of airborne geophysical survey of its concession area in Ireland. Ground parties will follow up results of the airborne work.

BEST WISHES FOR GOOD LUCK IN WHATEVER YOU DO!

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ANNOUNCEMENT

J. M. HERNDON

R. B. YOUNG

The appointment of J. M. Hendron, Assistant General Manager of Quebec Iron and Titanium Corporation, to General Manager is announced by W. L. Walsh, President of the Corporation.

Mr. Herndon, a graduate of the University of Kentucky, was formerly General Superintendent of Cramet Inc. at Chattanooga, Tennessee, and was previously employed by Union Carbide Corporation at Oak Ridge, Tennessee, and by Armour Laboratories, Pittsburgh, Pennsylvania.

The appointment of Roy B. Young as Assistant General Manager of the Ray Mines Division of Kennecott Copper Corporation was announced today by A. P. Morris, General Manager of the Company's Arizona operations.

Mr. Young, who will take over his new assignment on or about September 1, was formerly General Manager of the Quebec Iron and Titanium Corporation, a Kennecott subsidiary with mining and smelting operations in the Province of Quebec, Canada. The Canadian subsidiary is two-thirds owned by Kennecott Copper Corporation and one-third owned by the New Jersey Zinc Company.

A graduate of Johns Hopkins University with a degree in Chemical Engineering, Mr. Young joined Q.I.T. at Sorel Quebec, as Plant Superintendent in 1954 and later that year was named General Manager. Prior to working with the Kennecott subsidiary in Canada, Mr. Young was employed by the Bethlehem Steel Corporation in various operations assignments for eighteen years.

Position of Chartered Banks of Canada as at June 30, 1959, Shown by Monthly Returns to Minister of Finance

(Amounts in thousands of dollars)

ASSETS

NAME OF BANK	Gold & coin in Canada $	Gold & coin outside Canada $	Notes & deposits with Bk. of Can. $	Gov. and bk. notes other than Can. $	Dep. with oth. banks in Can. currency $	Deposits with oth. bks. in currencies oth. than Can. $	Cheques and oth. items in transit, net $	Gov. of Can. treasury bills $	Dom. Gov. Short Term Sec. $	Dom. Gov. Long Term Sec. $	Prov. Gov. Sec. $	Municipal Sec. $
Montreal	5,365	30	202,278	4,859	2,093	61,182	295,029	225,485	92,559	401,110	87,746	38,655
Nova Scotia	1,958	495	97,395	8,172	48	23,028	105,810	86,360	55,560	116,005	19,656	17,307
Toronto-Dominion	2,778	1	95,738	3,015	339	27,464	134,234	112,733	46,707	170,366	67,020	29,863
Provinciale	844	......	25,808	723	18	1,155	25,112	19,148	20,358	33,283	18,574	12,509
Commerce	3,935	117	167,269	4,232	1,347	60,624	185,904	229,367	148,007	236,556	50,506	34,415
Royal	4,169	940	215,692	24,580	2,727	189,430	212,432	212,710	176,460	409,365	101,755	42,717
Nationale	1,496	......	54,443	1,102	7	4,417	50,523	48,591	34,468	88,199	33,572	21,145
Imperial	1,377	......	61,227	1,327	958	4,350	113,515	73,853	39,961	74,574	19,013	10,522
Mercantile	18	......	2,788	39	33	6,265	1,803	1,209	5,116	1,233	......	88
TOTAL	22,140	1,583	922,440	48,069	7,189	377,915	1,144,362	1,009,456	619,196	1,531,891	397,842	207,289

NAME OF BANK	Other Can. Sec. $	Securities oth. than Can. $	Mtges. $	Call and short loans in Can. $	Call and short loans outside Can. $	Loans to Can. Prov. Gov. $	Loans to municipalities $	Other current loans in Can. $	Other current loans outside Can. $	Non-current loans $	Bank premises $	Shares and loans to corporations $	Letters of credit $	Other assets $	Total assets $
Montreal	115,294	40,760	204,980	33,313	123,795	18,857	46,530	1,142,442	57,767	468	43,430	8,216	45,197	1,548	3,256,988
Nova Scotia	42,524	56,135	45,007	15,876	90,343	2,143	26,961	655,140	270,201	1	19,995	8,298	23,880	1,131	1,789,417
Toronto-Dominion	44,721	31,033	84,409	7,860	138,929	960	13,907	659,240	33,118	100	23,488	......	18,675	246	1,776,862
Provinciale	8,963	124	4,090	3,214	......	40	20,544	144,202	......	1	4,922	3,193	1,428	375	348,518
Commerce	81,464	136,479	176,444	50,556	146,148	3,382	32,208	1,068,980	98,228	417	35,603	19,817	31,501	1,823	3,005,329
Royal	221,443	219,531	280,008	43,785	175,277	8,015	47,461	1,115,565	258,206	286	44,411	5,064	73,315	642	4,085,587
Nationale	9,258	1,745	21,731	9,594	......	5	28,831	327,667	394	40	8,501	......	2,991	83	761,893
Imperial	16,288	......	48,174	5,738	33,647	2,471	18,009	452,930	8,904	44	9,017	3,060	17,532	248	1,019,839
Mercantile	......	51	......	390	461	......	......	12,100	10,635	32	310	......	1,225	80	43,873
TOTAL	529,953	485,858	864,843	170,336	708,600	35,873	235,351	5,586,266	737,451	1,389	191,687	49,636	215,744	6,177	16,130,308

(Amounts in thousands of dollars)

LIABILITIES

NAME OF BANK	Deposits by Govt. of Canada in Can. currency $	Deposits by Canadian prov. govt. in Can. currency $	Deposits by oth. banks in Can. currency $	Deposits by other banks in curr. oth. than Can. $	Personal savings dep. in Can. $	Notice deposits in Can. curr. $
Montreal	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Nova Scotia	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Toronto-Dominion	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Provinciale	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Commerce	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Royal	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Nationale	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Imperial	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Mercantile	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
TOTAL	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

NAME OF BANK	Demand deposits in Can. currency $	Other deposits in currencies oth. than Can. $	Adv. from Bk. of Can. secured $	Acceptances, guarantees and letters of credit $	Other liabilities $	Capital paid up $	Rest account $	Undivided at latest fiscal year end $	Total Liabilities $
Montreal	919,378	231,087	......	45,197	10,191	56,206	132,253	1,996	3,253,988
Nova Scotia	357,633	302,215	......	23,880	6,637	21,321	64,583	86	1,789,417
Toronto-Dominion	460,976	136,078	......	18,675	5,230	23,976	87,542	849	1,776,862
Provinciale	85,765	543	......	1,428	2,223	6,961	9,774	130	348,518
Commerce	823,378	270,656	......	31,501	8,425	53,889	119,556	1,187	3,005,329
Royal	1,052,608	671,196	......	73,315	15,622	60,480	188,220	363	4,085,587
Nationale	178,566	4,684	......	2,991	1,665	9,623	29,898	833	761,893
Imperial	275,744	14,076	......	17,532	3,227	12,789	30,308	116	1,019,839
Mercantile	4,232	8,435	......	1,225	101	3,000	400	1	43,873
TOTAL	4,158,290	1,638,370	......	215,744	53,461	250,456	641,218	5,043	16,130,308

ANNOUNCEMENT

At a recent meeting of Electric Reduction Company of Canada Limited, a subsidiary of Albright and Wilson Limited of England, Dr. David Jones, President, announced the appointment of Wilfrid Mavor, C.B.E., M.C., E.D., as a director. Mr. Mavor is Chairman of the Board of Ferro Enamels (Canada) Limited, a director of Ferro Enamels England, Holland and Australia, a director of The Dominion of Canada General Insurance Company and The Casualty Company, a director of Meadowvale Developments Limited and of Hamilton Porcelains Limited.

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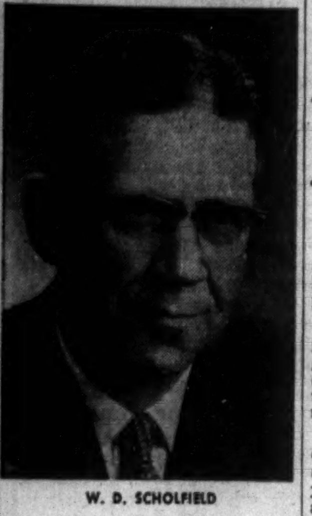
ANNOUNCEMENT



W. D. SCHOLFIELD

The appointment of W. D. Scholfield as general sales manager of Smith & Stone Limited has been announced by Brigadier F. C. Wallace, president.

Mr. Scholfield, a graduate of the University of Toronto, has had extensive experience in the electrical industry in sales, marketing, and general management.

A resident of Leaside, Ontario, he is married and has two sons and a daughter.

Strike in Copper WITH A BOOM IN TORONTO?

Employees of America's mines, mills and smelters are turning out copper today without a contract. Their spokesmen, we are told, have been authorized to call a strike if the union's wage-increase demands are not met. Management, mindful of the marginal nature of copper profits during the past two years, is adamant about making no concessions.

Will this potential deadlock force a strike? And will it then turn out that action in Canadian coppers over the past two years has been merely of a base-building nature—with major gains reminiscent of the 1955-6 period still ahead? This is our attitude, and we're elaborating upon it now from week to week in the Cronenberg Canadian reports—$5 for eight trial issues.

Cronenberg reports

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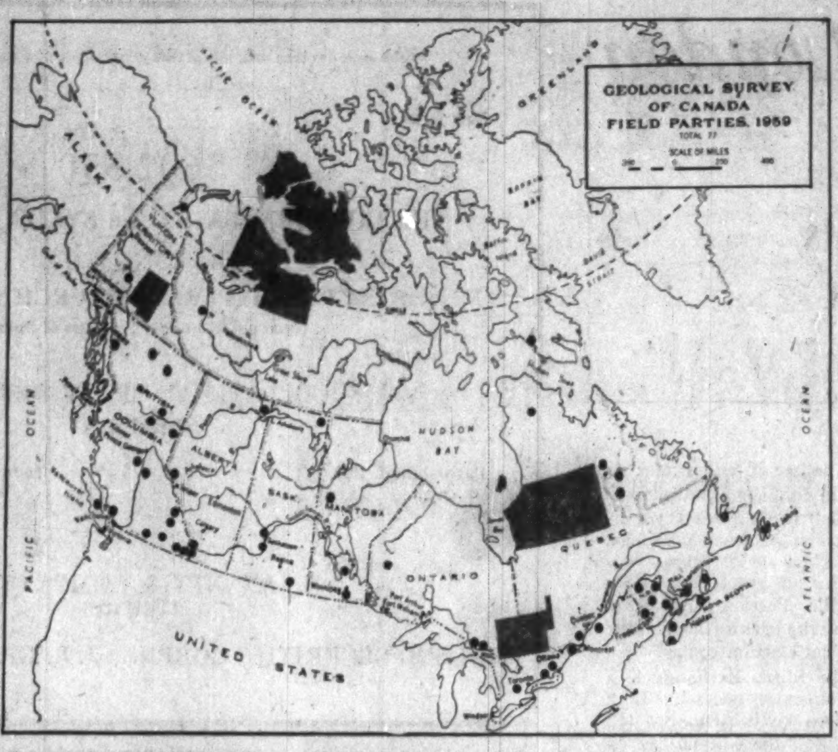

THIS MAP SHOWS HOW 325 men, broken into 77 parties, have fanned out across Canada in the continuing effort to learn more about our nation's resources. The Geological Survey of Canada 1959 survey program includes four major reconnaisance projects covering 160,000 sq. mi. of the North: Operation Pelly in the Yukon, Operation Coppermine in the Mackenzie District, Banks and Victoria Islands in the Northwest Territories and completion of Operation Fort George in northern Quebec. A large part of the Ottawa-Kirkland Lake area is being flown by aeromagnetic equipment. Each dot represents a survey party.

Company Reports

Oil

MEDALLION PETROLEUMS had a net loss of $534,481 in year ended Feb. 28, 1959 (loss of $624,122 in preceding year).

Factor in the 20% rise in gross income to $1,226,984 was surge in gas sales. Deliveries of 2.3 billion cu. ft. were more than four times the rate of the previous year, and now account for 13% of revenue.

Oil output also climbed in the latest year reaching total of 405,846 bbl. ahead from 317,783 bbl. in previous year. The increase, despite drop in available markets, resulted from completion of additional wells and acquisition of new properties through merger.

As of Feb. 28, 1958 company merged with **New Gas Exploration Co.**, and effective at Feb. 28, 1959 both **Henderson Oil Holdings** and **Select Oils** were taken over. Since year end, Medallion has acquired substantial interest in **Eastwood Oil Co.**, which has gross revenue of about $750,000 a year. Medallion plans to acquire Eastwood on a share exchange basis, President E. A. Galvin states.

During latest year Medallion participated in drilling of 15 wells in Alberta and Saskatchewan resulting in completion of four oil wells and one gas well.

Oil reserves at year end amounted to 6.5 million bbl. (3.7 million bbl. at end of previous year) while gas reserves were boosted to 109 billion cu. ft. (82 billion).

Interests were held in 4,563,105 gross acres, the equivalent of 847,895 net acres ahead from 335,912 net acres in previous year.

CONSOL. INCOME ACCOUNT

Years Ended Feb. 28:	1959	1958
Oil & gas sales	$1,053,826	$863,311
Royalty inc.	74,464	40,260
Other inc	98,694	116,967
Less: Gen. & admin. exp	336,434	298,067
Oper exp.	216,135	155,417
Lease rentals	187,178	170,384
Net earnings	485,237	396,670
Less: Debent. int.	56,073	41,373
Depletion	334,167	549,279
Depreciation	150,337	100,069
Amort. & exp	6,870	47,754
Dry holes & aband.	500,866	317,570
Add: Prof. sale f.a. & inv	28,595	35,253
Net loss	534,481	624,122
Shares o/s as at Feb. 28:		
Common, $1.25 par	4,270,558	3,446,895

CONDENSED CONS. BALANCE SHEET

As at Feb. 28:	1959	1958
Cash	$212,580	$110,407
Mkt. sec.*	1,885,750	2,293,970
Accts. rec.	245,618	208,173
Invent.	27,337	25,186
Prep. exp. & dep.	......	2,996
Total curr. assets	2,371,285	2,640,732
Invest.	458,199	953,446
Wells, rts. & equip.▲	4,939,098	3,905,652
Other assets	73,557	61,720
Total assets	7,842,139	7,561,550
Accts pay. & accr liabs.	158,465	276,658
Debent. int.	22,880	23,004
Total curr. liabs.	181,345	299,662
Debents.	1,373,000	1,373,000
Capital stock	5,338,197	4,308,619
Rec. from warrants	11,800	10,000
Capital surplus	5,540,713	4,232,924
Deficit	4,602,916	2,662,855
*Mkt. value	1,880,800	2,308,940
▲After depr. & depl. of	1,887,369	1,162,349
Working capital	2,189,940	2,341,070

Mining

QUEBEC COPPER CORP. had a net loss of $412,371 in 1958 (loss of $43,399 in preceding year). Results of the two years are not comparable as operations were suspended on April 11, 1958.

Combination of low ore grade, low copper price, and high operating costs were behind the suspension.

Compay is currently disposing of some machinery to retire debts.

Participation in outside exploration program of **East Sullivan Mines** and **Sullivan Consolidated Mines** is expected to continue this year on a smaller scale.

INCOME ACCOUNT

Years Ended Dec. 31:	1958	1957
Metal recoveries	$184,780	$1,181,179
Less: Oper. exps.	386,917	1,207,591
Oper. loss	202,137	26,412
Add: Loss re f.a. sale	173,022	......
Outside explor.	37,212	16,987
Net loss & deficit	412,371	43,399
Earned per Share	d$0.069	d$0.007
Shares o/s as at Dec. 31:		
Common, $1 par	6,000,000	6,000,000

CONDENSED BALANCE SHEET

As at Dec. 31:	1958	1957
Cash	$12,275	$28,870
Concentrates	......	266,266
Accounts rec.	22,485	2,606
Total curr. assets	34,760	297,742
Supplies	8,000	174,770
Prep. exps	8,340	9,114
Preprod. exps.†	949,979	949,979
Mining cls., etc.	28,750	28,750
Outside expl. exp.	9,941	43,020
Plant & equip.▲	1,645,821	1,830,028
Total assets	2,685,591	3,333,463
Total curr. liab.	7,776	43,402
Advs. re aff. co	236,250	436,065
Capital stock‡	1,251,006	1,251,006
Capital surplus	54,000	54,000
Earned surplus	1,136,559	1,548,930
†After w/o of	26,412	26,412
▲After deprec. of	355,025	390,976
‡After discount of	4,748,994	4,748,994
Working capital	26,984	254,340

Torwest Drills Probe Copper

Drilling on the **Torwest Resources** property near Merritt, B.C. has returned native copper in holes southeast and north of old shaft workings, F. J. Hemsworth, consulting engineer, reports.

The main Aberdeen mine is being dewatered and sampling has started on the second level of the **Consolidated Mogul**-financed property.

A second drill has been moved south to explore a parallel anomaly which occurs east of presently known structure.

HARDEE FARMS INTERNATIONAL has reserved 10,000 common shares for granting of options to key employees at $15.75 a share, exercisable to extent of 20% each year and within five years. Option to any one employee shall not exceed 1,000 shares.

NICKEL MINING & SMELTING, has issued 150,000 shares and three $50,000 notes in full settlement of claims to extent of $546,147, and issued further 250,000 shares in settlement of separate claims for $179,494.

Bulolo Net Climbs 63%

Preliminary report of **Bulolo Gold Dredging** reveals an estimated 63% gain in net profit in the year ended May 31, 1959.

Earnings of $650,000 or 65c a share are ahead from $403,000 or 40c a share in the previous year.

Profits climbed despite drop in volume and grade of yardage dredged.

Total of 4,855,605 yd. were treated in latest year, down 11% from year before. Grade dropped to 14.52c cu. yd. from last year's level of 15.35c.

Coldstream Plan Gets Go-Ahead

Shareholders of **Coldstream Copper Mines** have approved financing proposals designed to get the company into production by late fall. (FP, July 18).

Without a question raised, shareholders accepted terms of the reorganization involving share exchange on one-new-for-four-old basis coupled with change in name to **North Coldstream Mines**. The rights offering on a share-for-share basis at $1 a share was also approved.

Approval means company should receive $1,920,973 before the end of September, President W. S. Row told shareholders.

Milling of ore is expected to start before underground installations in the new deeper levels are completed, he said. Shaft deepening is under way.

Continental Plans to Resume Shaft Sinking

New financing has put **Continental Potash Corp.** in position to resume work on its potash property in Unity area of Saskatchewan.

Shaft sinking was suspended in mid-1958, following intermittent work from 1952. Financial and technical difficulties plagued the operation which reached 1,650 ft. of planned depth of 3,300 ft. before stopping last year.

Plans call for freezing the water-bearing horizons to depth of 2,050 ft. at which point the shaft will enter limestone.

Total of $500,000 will come from **Bata Petroleums** through investment in shares of Continental.

Balance of new funds required to complete shaft will come from private sources, a company statement says.

Worth Noting

Financing agreements and changes in financing deals, major changes in capital, filing statements are listed as reported by the Toronto and Montreal exchanges. Ontario Securities Commission.

ALCOURT MINES, release of 106,523 shares from escrow.

BRITMONT MINES, OSC prospectus filed in respect of underwriting of 500,000 shares at 10c a share by **Consolidated Mogul Mines**, with options granted on further 600,000 shares at 15c to 25c a share.

CANADA OIL LANDS, payment received covering option installment of 20,000 shares at $1.50 a share.

CONSOLIDATED MOGUL MINES, reports purchase of 400,000 vendor shares **Britmont Mines** for $1 and 350,000 shares **Torwest Resources** for $187,501 and sale of 3,500 shares **Raglan Nickel Mines** for $584 during June.

INTERNATIONAL RANWICK, three-month extension on option installments.

MID CHIBOUGAMAU MINES, release of 150,000 shares from escrow on July 13, with further 150,000 shares to be released on each of Jan. 13 and July 13, 1960.

NEW FORMAQUE MINES, payment received covering option installment of 50,000 shares at 20c a share, three-month extension granted on remainder of installments.

NORTH AMERICAN RARE METALS, payment received covering option installment of 100,000 shares at $1.25 a share.

NORTHGATE EXPLORATION, payment received covering option installment of 50,000 shares at 60c a share.

OPEMISKA EXPLORERS, reports underwriting of 194,995 shares at 25c a share.

PENELOPE EXPLORATION, OSC prospectus filed in respect of underwriting of 100,000 shares at $1 a share.

VANGUARD EXPLORATIONS, underwriting of 200,000 shares at 20c a share with options granted on further 800,000 shares at 20c to 35c a share; acquisition of 15 claims in Lake Frotet area in northwestern Quebec at cost of $3,500 and 125,000 shares (90% pooled).

Expect Early Glacier Start

Glacier Explorers' search for gas in Lake Erie should get under way this week.

Contract drillers for the company, **G. G. Powell Shipyard**, Dunnville, Ont., launched a 30 ft. by 50 ft. steel drilling platform recently.

The Canadian designed platform is scheduled to carry out drilling program on Glacier's 8,500 acre spread in the eastern section of Lake Erie.

Move into Lake Erie by Glacier follows sale of portion of exploration permit in the Northwest Territories to Atlantic Refining Ltd.

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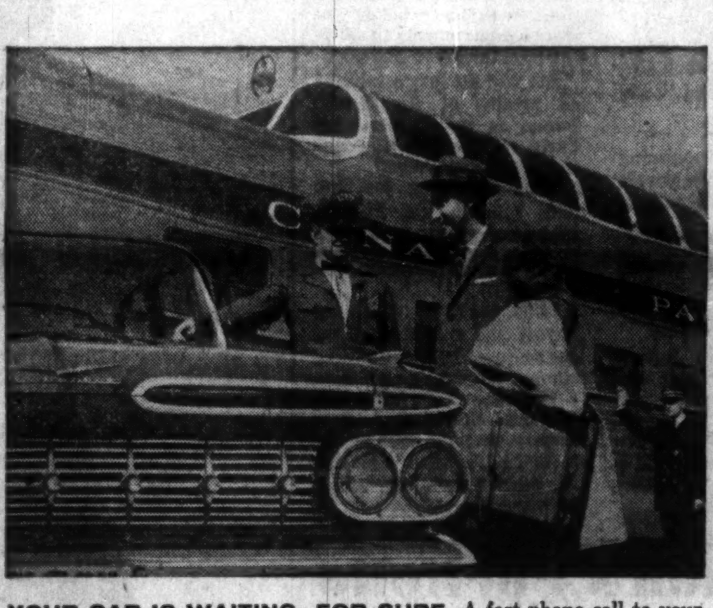

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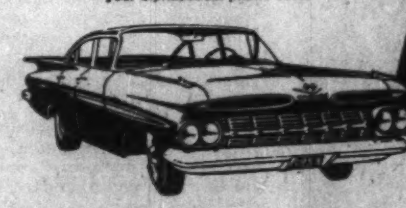

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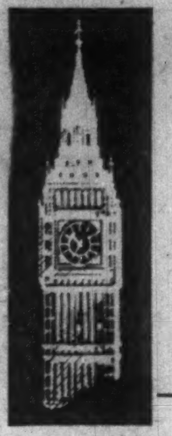

Letter from London

New Zealand needs a Diefenbaker to 'sell' its accomplishments . . .

By ADELPHI

WILL THE SUN never stop shining? Not only is that the cry of the bookies who are praying for rain as the favorites win race after race, but the theatres, the cinemas and commercial television are playing to minimum audiences.

However not everyone is joining in the chorus of lamentation.

The seaside landladies are making a killing. So are the airplane services that carry tourists and their cars to the Continent.

Then there are the Americans, with their welcome dollars, who are so numerous that they seem to have made a take-over bid for London.

* * *

Parliament has adjourned for the long summer recess and the general feeling is that it will meet in October only to declare a dissolution, followed by the general election.

It is an unfortunate fact that the popularity of the Tories is on the decline. The Colonial Secretary is in trouble over his policy in Central Africa, the Foreign Secretary is showing dangerous signs of strain, and the Minister of Housing is still under fire for his policy of de-controlling housing.

In fact, the wilting Delilahs on the Socialist front bench — to use Macmillan's description — are preening themselves like debutantes awaiting an invitation to the royal garden party.

* * *

Another factor worrying the government is the developing plan of the European Common Market.

Great Britain obviously could not join it without sacrificing Imperial Preference — and that of course would be political suicide.

Therefore, Great Britain must face the grim fact that the member states of the Common Market can export to each other without the interference of tariffs, while a duty will be placed on British exports.

However, Macmillan is not the kind of man who believes in letting the other fellow play all the trumps.

Already he is working on a plan for a free trade combine of the seven principal European states which will be outside the Common Market.

The member states would be the U. K., Sweden, Norway, Denmark, Austria, Switzerland and Portugal.

Quite obviously the removal of tariff and other barriers would stimulate trade by creating a large customs free area, which would supply a large market for iron and steel products, motor cars and consumer goods.

But among the many difficulties is the special problem of Denmark which is predominantly agricultural and depends for existence on exporting 60% of its agricultural products.

In fact, the Danes are already saying that they would remove all protection from their native manufacturing industry and open themselves to the full blast of British competition if the U. K. would not erect a tariff barrier against Danish agricultural exports.

That sounds very nice to the ears of the British industrialist, but what about the British farmer?

For centuries it has been the traditional policy of British governments to sacrifice agriculture to industry.

But will the long established loyalty of the British farmer to the Conservative Party survive this new onslaught of the Danes?

Thus Macmillan the Scot finds himself, like Hamlet, confronted with a Danish problem that cannot be solved by a mere murder.

* * *

Like everyone else, the buyers and sellers of stocks are confused by the persistent rumors of "take-over" bids.

The most recent rumor was to the effect that **Ford Motors**, presided over by the melancholy, good - looking Sir Patrick Hennessy, was to be taken over.

Whether it was rumor or truth, Ford shares added £40 million to their market quotation on the Stock Exchange.

Such a prize must be a matter of great satisfaction to Sir Patrick, but what about the backwash when the general election comes?

The Stock Exchange is a fundamental necessity in a modern civilization, but the fact that there is no tax on capital gains will supply political ammunition to the Socialists when the election bursts upon us.

* * *

There is also a political clash on the television front.

The commercial television pioneers who have already made fabulous fortunes are now demanding the right to supply an unbroken program from lunch time until midnight.

This, of course, adds yet another problem to the many that Macmillan has collected.

If he gives the TV commercialists what they want, he will incur the wrath of the big newspaper proprietors — except of course Roy Thomson who is up to his neck in both TV and newspapers.

Thus you will perceive that Harold Macmillan faces a potential antagonism on the agricultural front to which now will be added a cooling off of the newspapers which are in deadly battle with commercial TV.

However, Macmillan will probably be saved by the gong.

The holiday season is upon us and the finest summer for many years is carrying our thoughts and our bodies to the seaside and the pleasures of the Continent.

* * *

It is seldom that far-away New Zealand supplies many items of news to the British press.

Life in that distant land seems pleasant and friendly, but not very exciting. The traditional problem is how to sell butter products, which are on a very large scale.

But recently there has been a startling change for the better.

In May 1958, when there was a butter glut of alarming proportions, the price fell to 200s cwt. However, in April of this year the price went up to 290s and today the price is still higher.

There is always a basic dislike of government propaganda in the breasts of the British people, but in a modern society there ought to be a Minister of Propaganda with a highly paid skillful non-political chief.

Certainly the story of New Zealand is a splendid one, but the outside world knows little about it.

In short New Zealand could do with a Diefenbaker if such a man could be found or duplicated.

New Zealand needs showmanship and should cease to be the unknown country.

As this issue has been sold, this advertisement appears as a matter of record only

New Issue

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Interprovincial Earnings Up 43%

Half-year net profit of **Interprovincial Pipe Line Co.** amounted to $8,046,292, equal to $1.59 a share. This represented a 43.5% jump over same period last year.

Approximately 60.3 million bbl. of crude oil were delivered by the pipeline system during the first six month of 1959, compared with 53.1 million bbl. during same period in 1958. Throughput in terms of barrel-miles was 25% greater.

Deliveries to Sarnia and the Toronto area averaged 188,042 b/d during first half contrasted with 146,997 b/d in first six months of last year.

A quarterly dividend of 50¢ share has been declared Sept. 1, 1959 to shareholders of record on Aug. 7.

CHANGE OF ADDRESS

J. B. Morrison Machinery Co.'s new address after July 1 will be 150 Bentworth Ave., Toronto 19.

Compton's Portfolio

A Managed Investment Account

Invested in 1944 .... $10,000
Account latest valuation $38,426

Inflation Still a Threat

Relative stability of prices in the past few months doesn't mean the danger of inflation is over, says Compton's manager.

The threat is very real, he feels, and unless the unions, management and the government take active steps to prevent its further growth, investment on this continent could be so impeded as to bring on a depression much more severe than the recession just past.

Market value of Compton's account during the month ended July 15, came to $38,426, a gain of $300.

Here is the manager's report:

The market value of Compton's account made another small step forward during the month ended July 15. It rose by just more than $300. There was no change in his annual rate of dividend income.

Compton received $159.94 in dividends during the month. His bank balance is now $612.93.

On July 14 a report was published by the Senate standing committee on finance, on the threat of inflation.

The committee pointed out that deliberate inflation is not essential to prosperity.

In fact, continuous inflation can destroy our prosperity for a time.

If enough of the people who save and invest, and on whom Canada's growth depends, become convinced that inflation is inevitable, investment on this continent could be so impeded as to bring on a depression much more severe than the recession just past.

But if we have the wisdom to avoid further inflation, our economic growth can continue to be rapid and abundant.

It is a fallacy to think that because prices have not risen during the past few months, there is no danger of inflation.

Most people who save and invest, whether independently or collectively through insurance and pension funds, are not guarding against some petty increase in consumer prices this year or next. They are looking 10 or 20 years or more into the future.

They know that a continuous inflation of 2½% per annum can cut in half the value of the dollar in 28 years.

Investors have a real stake in the outcome of the present government, management and union policy on the inflation problem.

Here is the Compton portfolio at July 15, 1959:

No. of Shares		Cost — per Share — $	Mkt. — per Share — $
	Common Stocks		
75	Abitibi	12.86	37.875
25	Algoma Steel	39.62	41.50
50	Asbestos	31.32	31.50
60	Bank of N. S.	65.41	78.00
100	B. C. Power	38.37	38.125
25	Canada Cement	31.79	33.75
217½	Canadian Dredge	15.34	20.00
125	CPR	32.99	28.75
8	Confederation Life	158.87	162.00
200	Cosmos Imp. Mills	11.76	12.75
15	International Nickel	49.32	97.25
50	Kerr-Addison	20.00	21.375
400	Macassa	2.80	2.95
400	Madsen Red Lake	2.62	2.99
30	Shawinigan	23.48	30.50
100	N. Slater & Co.	17.31	29.00
15	Steel Co. of Can.	65.61	87.25
50	Toronto Iron. A	30.35	24.125

SUMMARY

	Book Value	Market Value July 15	Prosp. Annual Income
Com. stocks	$32,018	$37,813	$1,509
Cash	613	613	....
	$32,631	$38,426	$1,509
Current market value			$38,425.56
Prospective annual income			$1,508.94
Average yield on original $10,000			15.09%
Average yld. on current mkt. val.			4.16%

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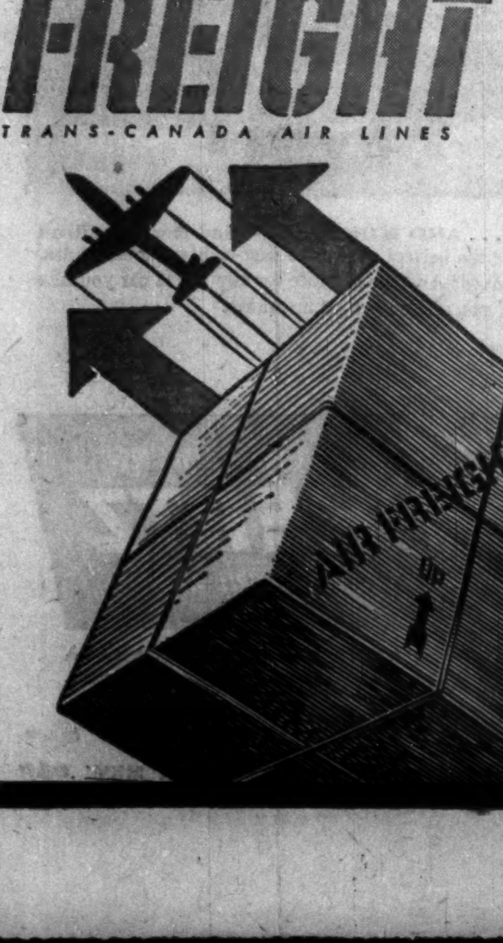

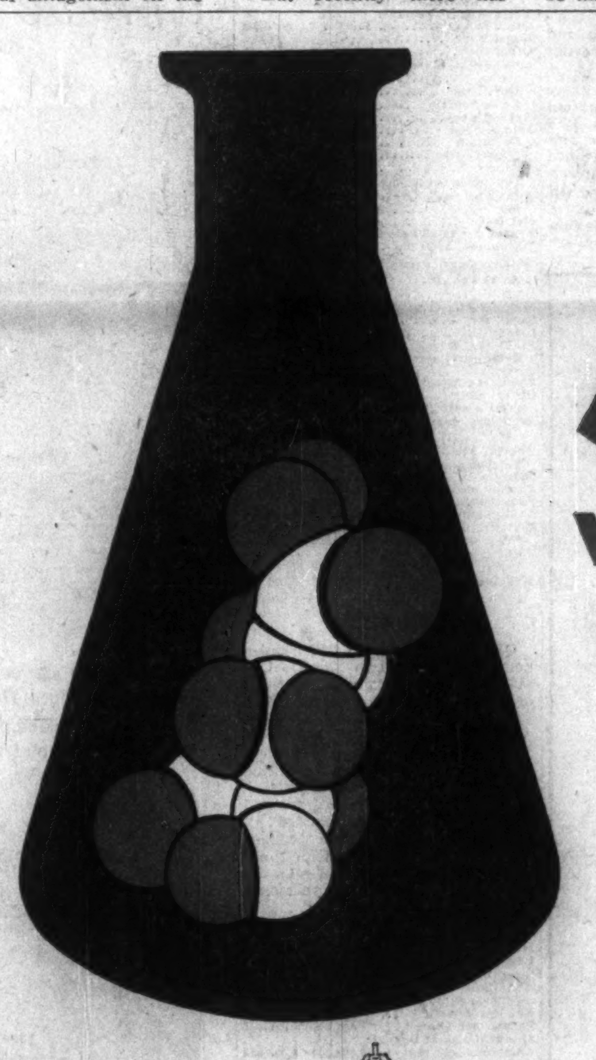

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It marks a major expansion for NATIONAL (CANADA) by making bulk quantities available for direct shipment from Toronto to all parts of Canada. It provides a new center for vinyl service and technology. It's another step ahead for Canada's fast growing Chemical Industry.

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